

# NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS



## BOARD OF DIRECTORS REGULAR BUSINESS MEETING April 15, 2020

Virtual Meeting  
Call In # (515) 606-5166 | Access Code: 301965

### AGENDA

TIME	TOPIC	PRESENTER
10:00 am	<b>I. PRELIMINARY BUSINESS</b> A. Call to Order/Introductions: <b>ESTABLISH QUORUM</b> B. Agenda: <b>APPROVAL</b> C. Minutes of January 15, 2020: <b>APPROVAL</b>	Billy Moore Chair
10:20 am	<b>II. COVID-19 Member Lightning Round</b> Provide each entity an opportunity to check in on things that are working and challenges current and future.	Billy Moore Chair
10:45 am	<b>III. EXECUTIVE/STAFF REPORT (Submitted Digital Only)</b> A. Staff Summary Report, 3 <sup>rd</sup> Quarter (January – March 2020) <b>FYI</b> B. Legislative Reports & Connecting the Dots Publications C. Special Requests: 1. Memberships: McKinley Soil & Water Conservation District & Bluewater WSD ( <i>Postponed</i> ) 2. Trail of the Ancients Byway – Federal Byway Designation ( <i>Letters of Support</i> )	Evan Williams Executive Director
11:00 am	<b>IV. FINANCIAL REPORT</b> A. FY 2020 Financial Report, Q3: <b>REVIEW &amp; APPROVAL</b> B. FY 2020 Budget Revision #3: <b>REVIEW &amp; APPROVAL</b> C. FY 2021 Draft Budget: <b>REVIEW &amp; APPROVAL</b> D. Revolving Loan Fund Plan Update: <b>REVIEW &amp; APPROVAL</b>	Evan Williams Armando Sanchez CPA, Loftis Group
11:25 am	<b>V. ANNOUNCEMENTS; OTHER BUSINESS</b> A. FY2021 Board Meeting Calendar: <b>REVIEW &amp; APPROVAL</b> B. Next Meeting: <u>July 15<sup>th</sup>   Cibola County Area</u> C. Announcements & General Comments by Board Members	Evan Williams
11:30 pm	<b>VI. ADJOURNMENT</b>	Chair
<b>LUNCH ON YOUR OWN</b>		

4/15/20

Virtual Meeting

Preliminary Business





## NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

### MINUTES

#### BOARD OF DIRECTORS REGULAR BUSINESS MEETING

January 15, 2020

at the El Morro Event Center  
210 South 2<sup>nd</sup> Street \*\*\* Gallup, NM

#### I. PRELIMINARY BUSINESS

##### A. CALL TO ORDER/INTRODUCTIONS/QUORUM.

Chairman *Billy Moore* [McKinley County] was excused, so COG staff asked Louie Bonaguidi to chair the meeting since the meeting was occurring in Gallup. Mr. Bonaguidi, Treasurer convened the meeting of the Board of Directors at 10:10 am. Roll call proceeded in the form of introductions around the table. In attendance were 12 Board Representatives, representing a quorum 7 of the 9 voting entities of the Board (78%), along with 5 COG staff.

##### BOARD MEMBERS IN ATTENDANCE:

CIBOLA COUNTY:	Martha Garcia; Christine Lowery [Alternate]
McKINLEY COUNTY:	Absent
SAN JUAN COUNTY:	GloJean Todacheene; Fran Fillerup
CITY OF AZTEC:	Steve Mueller
CITY OF BLOOMFIELD:	Jason Thomas
CITY OF FARMINGTON:	Excused
CITY OF GALLUP:	Allan Landavazo; Maryann Ustick; Louie Bonaguidi
CITY OF GRANTS:	Laura Jaramillo [Alternate]
VILLAGE OF MILAN:	Helen Dayan; Ellen Baca

##### GUESTS IN ATTENDANCE:

Dennis Romero, Water and Sanitation Director, City of Gallup  
Armando Sanchez, CPA, Loftis Group, LLC.

##### STAFF IN ATTENDANCE:

EXECUTIVE DIRECTOR:	Evan Williams
PLANNING TEAM:	Angelina Grey, Brandon Howe, Michael Sage
ADMINISTRATIVE ASSISTANT:	Martina Whitmore

##### B. AGENDA ADOPTION.

Executive Director *Williams* provided an overview of the day's agenda topics.

**ACTION:** *Allan Landavazo (Gallup)* moved and *Maryann Ustick (Gallup)* seconded adoption of the agenda. Motion carried.

##### C. MINUTES OF MARCH 27, 2019.

Mr. Williams introduced the minutes of October 16, 2019 for review and approval.

**ACTION:** *GloJean Todacheene (San Juan County)* moved and *Helen Dayan (Milan)* seconded, to approve the minutes of October 16, 2019 as presented. Motion carried.

**D. OPEN MEETINGS ACT RESOLUTION.**

Mr. Williams introduced an open meetings act resolution for review and approval.

**ACTION:** *Martha Garcia* (Cibola County) moved and *GloJean Todacheene* (San Juan County) seconded, to approve the open meetings act resolution. Motion carried.

**II. SPECIAL ADDRESSES**

- A. Navajo Gallup Water Supply Project.** Dennis Romero, Water and Sanitation District, City of Gallup provided a presentation on the Navajo-Gallup Water Supply Project. A complete copy of that presentation is available on the COG's website at:

[http://www.nwnmcog.com/uploads/1/2/8/7/12873976/ngwsp\\_nwnmcog\\_board\\_meeting\\_jan\\_15\\_2020.pdf](http://www.nwnmcog.com/uploads/1/2/8/7/12873976/ngwsp_nwnmcog_board_meeting_jan_15_2020.pdf)

There was a discussion on project details including local financing methods that the City of Gallup implemented to pay for their portion of this \$1B+ project. The City of Gallup imposed a special GRT increment, raised water rates, and is receiving a \$30M investment from McKinley County. Another major source is the State of New Mexico commitment to the project, which is being made by Water Trust Board.

**III. EXECUTIVE/STAFF REPORT**

- A. STAFF SUMMARY REPORT.** Mr. Williams did provide this report to the Board for their review and understanding. He highlighted one major update on the "Assistance to Coal Communities" program. EDA invested \$988,400 into the COG on September 25, 2019. To date, all funds have been encumbered and pushed out to partners, such as Wilson & Company, Cibola Communities Economic Development Foundation, Greater Gallup Economic Development Corporation, and International Business Connection, Ltd. A major highlight was the graduation of the first cohort from the Industrial Workforce Program, which included 12 participants all of which graduated and were placed in local employment. Participating employers included Marathon Petroleum, McKinley Paper, Gallup Indian Medical Center, Rhino Health, and Stone Material Handling.
- B. LEGISLATIVE PRE-SESSION OVERVIEW.** Mr. Williams provided a quick overview of the upcoming session including pre-filed bills, NMC/NMML priorities, and Governor's platform. He had approached the Executive Committee, who unanimously supported dispatching the Executive Director to Santa Fe to staff the 30-day Session. This will provide members direct access and legislative support of their requests and priorities.
- C. SPECIAL REQUESTS:**
- 1. Membership:** McKinley Soil & Water Conservation District (MSWCD) approached the COG about planning, grantsmanship, and projecteering services. The COG has met with Larry Winn on this request several times. The current Board position is not to allow new members and that entities like water associations and other special districts should petition the County that they are in and based on the County's acceptance put these services into the COG's work program with that County (thus reducing overall services directly provided). The COG would have final say in terms of staffing capacity. **DIRECTION:** *The Board provided direction for the Executive Director to work with MSWCD on a proposal, including proposed work plan, funding, and a recommendation. The Board's major concern was adding work to a limited staff.*
  - 2. Trail of the Ancients Bway Application:** The Board was briefed that the Federal Highway Administration (FHWA) has opened a nomination process for byways to be considered for Federal

designation. The COG tried nearly 10 years ago and our byway was denied. The COG through its Regional Transportation Planning Organization (RTPO) is preparing an application, re-energizing the Byway Council, and will be looking for official support from our membership. This byway will serve the whole region and impact all member entities in terms of tourism.

**D. WORK PROGRAM PRIORITIES.** Mr. Williams provided updates on several high priority items.

- **Financial Stewardship:** continuing to make improvements with Loftis Group, including internal controls and procedures. Our FY2019 audit was night and day to our FY2018 audit both in terms of preparation needed and findings. COG only had one minor finding for not having a Certified Procurement Officer (CPO).
- **Staffing:** COG currently has a great team that is working well.
- **Contractual Commitments:** continuing to manage large contractual projects and delivering quality products to clients.
  - *Zuni Mountains Trail Project* Design & QA/QC is on track.
  - *McKinley County Comprehensive Plan* is finished but COG is still adding some bells and whistles as this will be a model for other communities to use.
  - *Farmington MPO:* COG was not able to stand this program up in terms of hiring staff and in December notified the City of Farmington of the need to shift this program back under their administration. A termination letter of all contracts will be officially filed for MPO/NMDOT purposes.
- **Economic Development Focus:**
  - **Brownfields Program:** COG as part of a coalition between NM Environment Department (NMED) and Southwest NM Council of Governments received \$500,000 for brownfield environmental site assessments. Site work submitted for the Prewitt and Bloomfield areas.
  - **Building Resilient Communities Initiative:** The COG and its partners were awarded \$988,400 from EDA to perform site development work at Prewitt and Milan Industrial Park and an industrial driven workforce development and apprenticeship pilot. All funds have been contracted and pushed out to partners. The first milestone was the successful graduation of the first workforce program cohort. The next will be finalizing design work for Prewitt and Milan Industrial Parks.

**E. BUILDING COMMITTEE REPORT.** On August 7, 2019, the Committee met in Gallup to discuss current needs, plans, and problems. After the discussion, the Committee decided to the following priorities:

- Fixing the roofs and drainage on both building;
- Preparing the back building for a funded mural project by GallupARTS and MainStreet;
- Utility upgrades, including the electrical issue in basement tagged by the Gallup Fire Department in their inspection report and other utility upgrades and tie-ins to the Alleyway Project.

September – December 2019:

1. **Main Roof:** Evan Williams utilized CES to contract Commercial Roofing, LLC. The scope only included the main roof of the COG building and the bid came in at about \$90,000. The Building Committee authorized moving forward rather than delaying construction. Project is set to start January 21, 2020.
2. **Back Building Roof:** Commercial Roofing, LLC. did look at this roof but did not provide a cost. This project is past the ability of a roofing company and would need to be contracted with a construction company. COG staff fixed via external patching to secure the building and prepare it for the mural project.
3. **Back Building:** COG staff primed and painted the building in coordination with the Mural Project.

4. **Fiber Project:** Due to timing of the alleyway improvement, the COG did engage Sacred Wind on upgrading the COG building with fiber. Executive Director did authorize the connection and upgrade of this service as it will significant upsides in terms of capacity. The upgrade includes re-wiring inside building and new phone units. We are hoping for completion, transition, and switching billing over by February 1, 2020.

5. **Additional Funds:** COG will seek additional funds in the upcoming session.

F. **ENTERPRISE LOAN FUND (ELF) REPORT.** On October 18, 2018, the Northwest New Mexico RLF was notified (via email) of the noncompliant status and put on notice pending a possible termination or transfer. On April 19, 2019, the COG was informed that it would be required to complete a program-specific independent audit that fulfills the requirements of 2 CFR 13 § 200.507 and adheres to the Compliance Supplement in appendix XI to 2 CFR part 200.

#### ACTIONS TO DATE

- April 2019: Jeff Kiely, Executive Director engaged Warren Burmeister (Former COG ELF Manager) under special contract for internal program audit to complete a thorough review of records relating to this program. A report is available regarding all findings and recommendations.
- As of October 2019: COG added this program-specific independent audit to the scope-of-work and budget of our contracted audit firm. As part of the COG's Audit Entrance Conference, a conference call with EDA was held that included COG staff, contracted CPA firm, and our Auditor. During this meeting, COG staff explained that no activity has happened with regard to these funds in sometime and no new loans have been issued in at least 3 years. These facts would make it difficult to perform an audit and the revolving loan fund is audited as part of the overall COG financial statement and independent audit for the organization. Based on this meeting, COG was directed to submit all delinquent reports and copies of these audits for FY2016-2018. A determination and requirements would be made after review.
- November 1, 2019: COG Executive Director submits all report and copies of the annual audits to the Economic Development Administration, in care of LaDonna Barbee, Program Analyst RLF.
- January 13, 2020: An official response was sent via email back to COG Executive Director, as follows:

"I have reviewed your audits for FY2016, 2017 and 2018. I have also reviewed your ED209 reports for March 2018, 2019 and September 2017, 2018, 2019. You are now current and your FY20 Risk Rating is a C/22. You will need to complete a Corrective Action Plan, due to the Risk Rating score. I have attached a copy of the updated EDA RLF Standard Terms and Conditions, for you review.

You are still in a noncompliant status because your RLF Plan has expired and each RLF Operator was asked to have them reviewed and approved by July 30, 2019.

#### **§ 307.20 Noncompliance.**

EDA will take appropriate compliance actions as detailed in § 307.21 for the RLF Recipient's failure to operate the RLF in accordance with the RLF Plan, the terms and conditions of the RLF Grant, or this subpart, including but not limited to:

- (a) Failing to obtain prior EDA approval for material changes to the RLF Plan, including provisions for administering the RLF;
- (b) Failing to submit an updated RLF Plan to EDA in accordance with § 307.9(c);
- (c) Failing to submit timely progress, financial, and audit reports in the format required by the RLF Grant and § 307.14, including the Form ED-209 RLF report;"

#### RECOMMENDED STEPS FORWARD

- Develop and submit a corrective action plan to EDA - ***see draft attached;***
- Update the RLF Plan and approve it at COG Board and with EDA;



- Submit all reports required;
- Document collections of all outstanding loans and clients;
- Review and recommend bad debt write-off by Board;
- Review and recommend for program, either: (1) re-invigorate program; (2) transfer program to another agency; and (3) close-out and send back funds to the Federal government.

#### IV. FINANCIAL REPORT

- A. **FY2020 Financial Report, Quarter 2:** Mr. Armando Sanchez, CPA, is under contract with the COG to provide financial management services, and he provided the financial reports including the balance sheet and income statement. Mr.

**ACTION:** *Laura Jaramillo* (Grants) moved and *Helen Dayan* (Milan) seconded, to approve the second quarter financial report as presented. Motion carried

- B. **FY2020 Budget Amendment #2.** Mr. Williams presented the budget amendment. The only changes to the budget were the removal of the Farmington MPO funds and revenues (-\$24,000), addition of a private contract for the COPE Food Mapping Project (+\$16,000), and carry-over funds in the RTPPO program (+\$5,198).

**ACTION:** *Helen Dayan* (Milan) moved and *Steve Mueller* (City of Aztec) seconded, to accept the FY2020 budget amendment #2 as presented. Motion carried.

- C. **FY2019 Audit:** Mr. Williams informed the COG Board that an exit conference was held with the Executive Committee. The audit was completed and submitted on time, received an unmodified opinion, and is available:

[http://www.nwnmcog.com/uploads/1/2/8/7/12873976/806\\_northwest\\_nm\\_council\\_of\\_government\\_fy2019\\_final.pdf](http://www.nwnmcog.com/uploads/1/2/8/7/12873976/806_northwest_nm_council_of_government_fy2019_final.pdf)

Mr. Sanchez, CPA, added a couple statements to this report:

1. This was the COG's first annual with its new firm (Patillo, Brown, & Hill, L.L.P) and it went very smooth, which is not typically the first go round. He thanked Martina Whitmore, COG Administrative Assistant for being very organized and completing the checklist prior to field visit.
2. The COG has made substantial progress as showcase by eliminating its past findings. COG only had one minor finding for not having a Certified Procurement Officer (CPO), which is being corrected.
3. The COG can be proud that it is one of only about 10% of audited governmental entities that can take credit for being able to prepare its own financials itself for the audit.

#### V. ANNOUNCEMENTS; OTHER BUSINESS

- A. **2020 Board Meeting Calendar.** Mr. Williams presented the COG Board 12-month Master Calendar. Next meeting will be April 15, 2020 in San Juan County.
- B. **Announcements & General Comments:** No announcements or comments.

#### VI. ADJOURNMENT

**ACTION:** *Ellen Baca* (Village of Milan) moved and *GloJean Todacheene* (San Juan County) seconded, to adjourn. Motion carried. Treasurer Bonaguidi again thanked the City of

Gallup for their hospitality for this meeting and adjourned the meeting of the Board of Directors at 12:35PM.

Respectfully submitted,

\_\_\_\_\_  
Evan J. Williams  
Board Secretary and Executive Director

ATTEST: \_\_\_\_\_  
Louie Bonaguidi  
Board Treasurer/Acting Chairman



# COVID~19

## Member Lightning Round



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BOARD MEETING PACKET  
NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

# Executive/Staff Report (Submitted Digital Only)





**NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS  
STATE PLANNING DISTRICT #1**

**STAFF SUMMARY REPORT  
FY 2020/ 3<sup>RD</sup> QUARTER**

**FOR THE PERIOD: January 1, 2020 – March 31, 2020**

*The State Grant-in-Aid (SGIA) work program is utilized by the State Planning Districts to develop a dynamic framework of integrated general services to support planning, development and technical assistance activities as a regional service to local and state government. This report reflects functions and tasks in the approved FY2020 Work Program and Budget. The following are functions and tasks completed by the Northwest New Mexico Council of Governments during the third quarter of FY2020:*

<b>Function 1:</b>	<b>Organizational Management.</b> Provide for general administration and development of the Planning District organization, including management of the State Grant-in-Aid in conjunction with other grants and programs, building organizational capacity, sustainability, and networking with other Planning Districts and with a multi-sector variety of public and private institutions in service to the regional development mission.							
<b>QUARTERLY ACTIVITY HIGHLIGHTS &amp; RECAP</b>								
(1) <b>Resource Development:</b> This quarter, staff continued to work on diversifying and expanding services: <ul style="list-style-type: none"><li><b>Building Capital Outlay:</b> Secured \$126,00 from the NM State Legislature for critical improvements to the COG building.</li></ul>								
<b>TASK TRACKING</b>								
<b>TASK</b>	<table><tr><td><b>DUE DATE</b></td><td><b>STATUS</b></td></tr><tr><td rowspan="4">Ongoing</td><td>Q1<ul style="list-style-type: none"><li>✓ Carrie House attended the National ESRI Conference in San Diego, CA and participated in StatsAmerica training.</li><li>✓ Angelina Grey participated in APA-NM Conference.</li></ul></td></tr><tr><td>Q2<ul style="list-style-type: none"><li>✓ Evan Williams attended the National Association of Development Organizations (NADO) Conference in Reno, NV, including New Executive Director’s training.</li><li>✓ Evan Williams attended and spoke at the NM Infrastructure Finance Conference in Las Cruces, NM.</li><li>✓ Evan Williams attended the Southwest Region Economic Development Association (SWREDA) Conference in Santa Fe.</li><li>✓ COG staff attended CDBG Application training in December.</li><li>✓ Michael Sage attended the USDA Broadband Conference and Opportunity Zone conferences in Albuquerque.</li><li>✓ Angelina Grey participated in APA Professional Development class.</li></ul></td></tr><tr><td>Q3<ul style="list-style-type: none"><li>✓ Michael Sage attended several webinars to assist with production of the CEDS and Opportunity Zones.</li><li>✓ Martina Whitmore attended training and was certified as a State Chief Procurement Officer for the COG.</li><li>✓ Evan Williams attended several sessions of the NM MainStreet Winter Conference.</li><li>✓ Robert Kuipers attended the NMDOT’s Tribal/Local Public Agency Handbook training.</li></ul></td></tr><tr><td>Q4<ul style="list-style-type: none"><li>✓</li></ul></td></tr></table>	<b>DUE DATE</b>	<b>STATUS</b>	Ongoing	Q1 <ul style="list-style-type: none"><li>✓ Carrie House attended the National ESRI Conference in San Diego, CA and participated in StatsAmerica training.</li><li>✓ Angelina Grey participated in APA-NM Conference.</li></ul>	Q2 <ul style="list-style-type: none"><li>✓ Evan Williams attended the National Association of Development Organizations (NADO) Conference in Reno, NV, including New Executive Director’s training.</li><li>✓ Evan Williams attended and spoke at the NM Infrastructure Finance Conference in Las Cruces, NM.</li><li>✓ Evan Williams attended the Southwest Region Economic Development Association (SWREDA) Conference in Santa Fe.</li><li>✓ COG staff attended CDBG Application training in December.</li><li>✓ Michael Sage attended the USDA Broadband Conference and Opportunity Zone conferences in Albuquerque.</li><li>✓ Angelina Grey participated in APA Professional Development class.</li></ul>	Q3 <ul style="list-style-type: none"><li>✓ Michael Sage attended several webinars to assist with production of the CEDS and Opportunity Zones.</li><li>✓ Martina Whitmore attended training and was certified as a State Chief Procurement Officer for the COG.</li><li>✓ Evan Williams attended several sessions of the NM MainStreet Winter Conference.</li><li>✓ Robert Kuipers attended the NMDOT’s Tribal/Local Public Agency Handbook training.</li></ul>	Q4 <ul style="list-style-type: none"><li>✓</li></ul>
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1.1 Professional Development  Provide ongoing professional development training or continuing education classes for staff, i.e. training, webinars, professional conferences.								

<b>1.2 Board Training &amp; Support</b>  Provide workshops and training as needed to COG boards and committees, i.e. annual workshop, handbook for board members.	Ongoing	Q1	✓ <u>Annual Board Meeting</u> (July 17 <sup>th</sup> ) in San Juan County at the Farmington Civic Center.
		Q2	✓ <u>Fall Board Meeting</u> (October 16 <sup>th</sup> ) in Cibola County at the NMDOT District 6 office in Milan
		Q3	✓ <u>Winer Board Meeting</u> (January 15 <sup>th</sup> ) in McKinley County at the El Morro Event Center In Gallup.
		Q4	✓
<b>1.3 Networking</b>  Facilitate and strengthen working relationships with local, tribal, state, federal, nonprofit and private sector agencies and partners, i.e. New Mexico Association of Regional Councils (NewMARC), national associations, NM Municipal League and NM Association of Counties, etc.	Ongoing	Q1	✓ <u>NewMARC</u> : an action plan was created at the retreat to increase and target networking and partnership building.
		Q2	✓ <u>NewMARC</u> : COG continued to participate in the COG statewide association and network at NADO conferences including strong leads into Wealthworks and Opportunity Zones.
		Q3	✓ <u>NewMARC</u> : COG continued to participate in the COG statewide association. This quarter, Executive Director made a special trip to Washington DC to meet with the Congressional Delegation
		Q4	✓
<b>1.4 SGIA Administration</b> Submit Annual Work Program/Certification, audit, reports, and invoices to the Local Government Division.			
<b>1.4.1 AWP &amp; Certification</b> Submit annual work program packet including certification by the end of each State fiscal year in compliance with DFA requirements.	Annual	✓	
<b>1.4.2 Audit</b> Submit audit report to Local Government Division upon release by State Auditor.	Q2	Q1: Preparation for the Audit and Field Visit, planned in October along with entrance conference.  Q2: Completed and submitted on time (December 1 <sup>st</sup> ) including exit conference.  Q3: Released and posted by the State Auditor on January 6 <sup>th</sup> . Submitted to State and Federal agencies and posted on COG website.  Q4: COG addressed its one and only finding with the certification of Martina Whitmore as a Chief Procurement Officer.	
<b>1.4.3 Reporting &amp; Invoicing</b> Provide Quarterly Reports by the 25th day of the month following each quarter for the months October, January, April, and July. Submit invoices to the Local Government Division in compliance with DFA requirements.	Quarterly	✓ Annual Report (October): Completed  ✓ FY2020 Q1: Completed  ✓ FY2020 Q2: Completed  ✓ FY2020 Q3: Completed  ✓ FY2019 Q4:	

**Function 2:** **Local Government Support.** Provide a range of technical assistance services and guidance to local governments and to other public entities in the region, focused on identifying, cultivating, financing and implementing investable community development projects.

### QUARTERLY ACTIVITY HIGHLIGHTS & RECAP

- (1) **Infrastructure Capital Improvement Plans (ICIP) Development:** This quarter, COG began working to develop a master entity ICIP list to better engage all eligible entities in the region.
- (2) **Community Development Block Grant (CDBG):** This quarter, COG staff Village of Milan's project implementation. COG staff worked hard on new applications with City of Gallup, City of Grants, and San Juan County.
- (3) **Legislative Support:** This quarter, staff worked on capital outlay requests and special informational brochures, tracked legislation, and provided support to its members in Santa Fe.

### TASK TRACKING

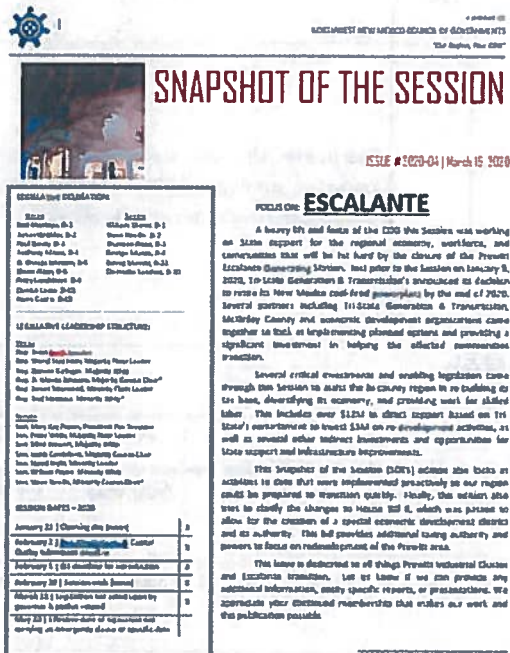
TASK	DUE DATE	STATUS
<b>2.1 General Technical Assistance</b>		
<b>2.1.1 Policy Assistance</b> Identify and develop policy needs and issues that are viable legislative initiatives, and assist in promoting and tracking these initiatives throughout the legislative process.	Ongoing	Q1 ✓ No progress to report.
		Q2 ✓ BUILDITNM: COG working with an inter-agency team including Eric Ghahate an outside consultant worked on building a new platform for New Mexico Investments and projects. ✓ Other Legislative Policy Work included TriState, Transportation Trust Fund, Rural Commercial Aviation Bill, Hold Harmless, and several others to support members.
		Q3 ✓ NM Legislative Session Support: COG Director provided full-time services in Santa Fe including legislative support and provided four "Snapshot of the Sessions" to provide breakdowns of funding bills, priority legislation, and Tri-State redevelopment efforts. ✓ DC Support: COG Director supported McKinley County with policy issues from tribal PILT to right-of-ways.
		Q4 ✓
<b>2.1.2 Funding</b> Provide guidance to local governments to help meet basic eligibility requirements for receiving government funding for community and economic development activities.	Ongoing	Q1 ✓ COG continued to email #GrantOps to members and organizations in the region, e.g. Polaris TRAILS Grant, BLM grants, Veterans Cemetery, Apprenticeships: Closing the Skills Gap, Hanley Family Foundation, Levitt AMP, HUD Jobs Plus, Rail and Safety grant, etc.
		Q2 ✓ COG continued to email #GrantOps, e.g. NM Oil & Gas Association Brighter Future Fund, Apprenticeship: Closing the Skills Gap, USDA Sustainable Agriculture, Levitt AMP grant, etc.
		Q3 ✓ COG continued to email #GrantOps, and provide a filter, funnel, and follow-up approach to COVID-19 opportunities.
		Q4
<b>2.1.3 Fiscal Agency</b> Provide fiscal agent services as mutually agreed upon with member governments in connection with	Ongoing	✓ Q1-3: COG service as fiscal agent for 3 remaining projects on behalf of three member governments, working with local and State staff to produce agreements and smooth over bureaucratic issues.



Executive Order 2013-006. i.e. including capital outlay appropriations, Community Development Block Grant, and Water Trust Board funding.		
<b>2.1.4 Asset Management</b> Provide guidance to local governments upon request to improve capacity to manage infrastructure and assets, such as the development of asset management plans.	Ongoing	✓Q1-3: As a part of working with communities on ICIPs, COG staff has helped with asset management. Several staff attended training to better assist communities.
<b>2.1.5 Planning &amp; Technical Support</b> Provide related technical assistance, such as census data, land use planning, comprehensive plans, and mapping, upon request and availability of resources.	Q4	<u>Zuni Mountains Trails Project</u> : COG staff continues to provide design and QA/QC services on several projects.  <u>Gallup Coal Avenue Commons Design</u> : Supported the City of Gallup in these creative placemaking design project. This quarter, COG staff helped the City attract \$800,000 from NM MainStreet in investments. <a href="https://www.coalavenuecommons.com/">https://www.coalavenuecommons.com/</a>
<b>2.2 ICIP Management</b>		
<b>2.2.1 Trainings</b> Collaborate with the Local Government Division to organize and host Infrastructure Capital Improvement Plans (ICIPs) training in the COG region.	Q4	Q1: COG helped provide de-brief from this year's training to encourage next year, and supported presentations for NMIFC.
<b>2.2.2 Plan Development</b> Provide technical assistance to local governments in updating, utilization and monitoring of local ICIPs upon request.	Q1	Q1-2: COG staff supported over 35 entities in their preparation, submission, and corrections of their ICIPs. Staff assisted with corrections and project adds.
<b>2.2.3 Funding Analysis</b> Work with local governments and the legislature to prioritize, evaluate, and recommend projects for compatible funding sources.	Q2	Q1-2: COG staff meet with each local entity member to discuss potential funding and projecteering plans, and position them for 2020 Session.
<b>2.3 CDBG Support</b>		
<b>2.3.1 Inform &amp; Notify</b> Provide information to local staff and officials regarding the Community Development Block Grant (CDBG) programs and training events, i.e. CDBG application workshop, application hearing, etc.	Ongoing	✓

<p><b>2.3.2 Application Selection &amp; Development</b> Provide technical assistance as requested to local municipalities and counties to identify, select and develop eligible applications for projects for CDBG funding.</p>	Ongoing	<p>Q1: This quarter, COG staff supported San Juan County and McKinley County on their applications and presentations to the Community Development Council.</p> <p>Q2: Engaged eligible communities and begun public input processes with City of Gallup and City of Grants.</p> <p>Q3: Worked with Gallup and Grants to select projects and qualify projects in terms of LMI, including survey, etc.</p>
<p><b>2.3.3 Presentations</b> Assist local CDBG applicants in preparation of their presentations to the Community Development Council.</p>	Q1	<p>Q1: COG staff prepared and supported presentations on September 23<sup>rd</sup>.</p>
<p><b>2.3.4 Implementation</b> Provide technical assistance as requested to implement awarded CDBG projects.</p>	Ongoing	<p>Q1: COG staff continued to work with and provide assistance to the City of Gallup and Village of Milan on their construction grants.</p> <p>Q2-3: COG staff helped close-out the City of Gallup and continued to support Village of Milan implement their construction grant.</p>
<p><b>2.3.5 Project Administration</b> Provide project administration as mutually agreed upon to member governments to implement CDBG projects, i.e. monitoring, procurement, pay requests and closeout.</p>	Ongoing	<p>Q1-4: Currently, the COG is not contracted for project administration services, but does serve as the fiscal agent for the City of Gallup and Village of Milan. Staff has regular and routine discussions and check-ins on progress with staff.</p>

## COG Highlights



**SNAPSHOT OF THE SESSION**  
ISSUE # 2020-04 | March 15, 2020

**LEGISLATIVE LEADERSHIP STRUCTURE:**

**SENATE**  
 Rep. Brian Rios, Speaker  
 Rep. David Lujan, Majority Floor Leader  
 Rep. Steven Kuykendall, Majority Whip  
 Rep. D. Vincent Gonzalez, Minority Floor Leader  
 Rep. David Martinez, Minority Floor Leader  
 Rep. David Martinez, Minority Whip

**HOUSE**  
 Rep. Mike Ray, Speaker, President Pro Tempore  
 Rep. Peter Velasco, Majority Floor Leader  
 Rep. Mike Ray, Minority Floor Leader  
 Rep. Mike Ray, Minority Whip  
 Rep. Mike Ray, Minority Whip

**SESSION DATES - 2020**

January 22   Opening the Session	1
February 2   Reopening the Session	2
February 3   61 day closure for re-opening	3
February 10   Session ends	4
March 12   Session ends	5
March 12   Session ends	6
March 12   Session ends	7
March 12   Session ends	8
March 12   Session ends	9
March 12   Session ends	10
March 12   Session ends	11
March 12   Session ends	12

**FOCUS ONE: ESCALANTE**

A heavy lift and focus of the COG this Session was working on State support for the regional economy, workforce, and communities that will be hit hard by the closure of the Private Education Operating System. And prior to the Session on January 8, 2020, the State Governor & Transportation Secretary announced its decision to reverse its New Mexico coal-fired powerplants by the end of 2020. Several partners including Tri-State Generation & Transmission, McKinley County and economic development organizations came together to look at long-term planning options and providing a significant investment in helping the affected communities transition.

Several critical investments and enabling legislation came through this Session to assist the in county region in re-building its base, diversifying its economy, and providing work for skilled labor. This includes over \$12M in direct support based on Tri-State's commitment to invest \$3M on re-development activities, as well as several other indirect investments and opportunities for State support and infrastructure improvements.

The Snapshot of the Session (SOS) across the State in activities to date that were implemented proactively so our region could be prepared to re-open quickly. Finally, the session also voted to clarify the changes to House Bill 6, which was passed to allow for the creation of a special economic development district and its authority. This bill provides additional taxing authority and powers to focus on redevelopment of the Private area.

This issue is dedicated to all things Private Industrial Cluster and economic transition. Let us know if we can provide any additional information, timely specific reports, or presentations. We appreciate your continued membership that makes our work and this publication possible.

**Evan Williams, Executive Director**

One of the four Snapshot newsletter that COG staff put out this quarter to keep communities in our region updated on the NM Legislative Session.



<b>Function 3:</b>	<b><u>Integrated Planning &amp; Development.</u></b> Incorporate common and core regional work programs, such as the Regional Transportation Planning Organization (RTPO), the Economic Development Administration (EDA) and the State Grant-In-Aid (SGIA), into a unified statewide model.
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### QUARTERLY ACTIVITY HIGHLIGHTS & RECAP

- (1) **Funding and Investments:** COG staff partnered with communities to apply for investments to great success.
- (2) **New Mexico MainStreet grants:** COG has worked on two applications: (1) City of Grants Great Blocks Project design and (2) Coal Avenue Commons construction. The later was funded at \$800,000.
- (3) **EPA Recreation Economy for Rural Communities:** COG working with City of Grants and many community partners was 1 of 10 communities in the Nation to receive this grant and technical support.

### TASK TRACKING

TASK	DUE DATE	STATUS	
<b>3.1 COG Partnership</b>  Partner with other regional Planning Districts to focus resources, streamline reporting, administrative compliance, and identify best practices as well as needs.	Ongoing	Q1	✓Q2: NWNMCOG took the lead on the BUILDIT NM initiative.
		Q2	
		Q3	
		Q4	
<b>3.2 Outreach &amp; Marketing</b>  Provide outreach and marketing for local government inclusion into the integrated planning process, such as FUNDIT, Comprehensive Economic Development Strategy (CEDS), etc.	Ongoing	Q1	✓Q2-3: Continued to promote FUNDIT and BUILDITNM with various governments and groups. COG begun work to update its CEDS plan and integrate with Statewide plan.
		Q2	
		Q3	
		Q4	
<b>3.3 Related Planning &amp; Development Initiatives</b>  Include related planning initiatives into the integrated planning model as Planning District staff and financial resources permit, such as regional water planning, Legislative Jobs Council, energy initiatives, workforce, etc.			See below. This year, our COG is involved in updating our Regional Transportation Plan and Comprehensive Economic Development Plan.

#### 3.3.1 Grantsmanship & Project Technical Assistance (TA):

CLIENT	GRANT/SOURCE	AMOUNT	STATUS
Cibola County	<u>NMFA Planning Grant Application:</u> COG supported several planning grants.	\$50,000	Pending
Ramah/McKinley County	<u>USDA NRCS Voluntary Public Access and Habitat Incentive Program Grant</u> to plan, design, and upgrade Ramah Lake.	\$3,000,000	Denied

**3.3.2 Healthy Communities:** The COG team led by Carrie House worked with State of New Mexico Health Department on the “Data Across Sector of Health” (DASH) to support this initiative and developed a [Navajo Nation Food Map](#).

**3.3.3 Workforce:** The NWNMCOG has partnership with NM Workforce Solutions and Greater Gallup Economic Development Corporation (GGEDC) to develop an industry-driven workforce development program for various cohorts and job skills that currently are in high demand for local, high-paying jobs. The second cohort graduated this quarter.

**3.3.4 Economic & Tourism Development:** The COG team continued to administer the multi-year contract with the US Economic Development Administration.

Project highlights for this quarter include:

#### NATIONAL LEVEL

##### Economic Development Administration (EDA):

- Applications:

**3.2 *Build2Scale.*** The COG submitted a \$300,000 Build2Scale application to develop an Opportunity Zone fund;

**3.3 *USDA Rural Business Development Grant.*** The COG supported a grant application to move forward on the Shiprock River Vision project.

- Statewide CEDS Plan: The COG supported the State of New Mexico Department of Economic Development in achieving a request for \$350,000 to update the statewide plan.

- Regional CEDS Plan: Michael Sage has begun collecting data including tax data, resiliency, opportunity zones, SWOT, and other information. He has also participated in many of the StatsAmerica and CEDS webinars.

**Census 2020/Stats America:** COG Associate Planner Carrie House maintained communication with census planners at the state and regional levels in this process. COG staff spearheaded Complete Count Committees in all three counties and completed designating Community Designated Places (CDP). The major focus of this quarter was finalizing information for each county related to the Participatn Statistical Areas Program (PSAP).

**EPA Brownfields Coalition:** The COG continued promote this opportunity and discuss sites for assessment work. This quarter, NMED invested in Phase I services for the Prewitt Area sites and a community visioning for a site in Bloomfield was cancelled due to COVID-19.

**EPA Recreation Economy for Rural Communities Program:** The City of Grants was one of 12 communities selected nationally to participate in this program. Staff participated as a partner on the Steering & Planning Committee including many meetings and unfortunately the public process was scheduled but postponed in April 2020.

#### STATE LEVEL

**“FUND IT” Initiative:** COG executive staff attended periodic meetings of the “FUNDIT Task Force” established by the State Economic Development Department for multi-agency vetting and co-financing of economic development projects. During this period, the COG actually discussed re-tooling this process to make it more effective.

**Opportunity Zones:** During this quarter, Michael Sage finalized the McKinley County OZ Community Profile and it was presented at the COG Board meeting.

**State Land Office:** COG staff continued to engage State Land Office to authorize redevelopment planning and access in Prewitt, including securing a land lease and supporting legislation to extend economic development leases from 25 to 40 years.

**IDEA Luncheon:** COG staff attended the annual NM IDEA luncheon, our statewide industrial developer association, to celebrate awards for the Cibola Soloworks program and Volunteer of the Year both coming from Cibola County.

**COVID-19:** The COG has taken an active role in the mitigation, response, and recovery from this crisis including conferences calls with Governor's office and reviewing CARES Act.

#### REGIONAL LEVEL

**Enterprise Loan Fund.** COG staff submitted all past due semi-annual reports and annual financial audits to move into compliance. COG staff drafted and presented a corrective action plan to the COG Board and discussed next steps in administrating the Revolving Loan Fund (RLF) program. Late this quarter, COG Director updated and completed a re-write of the RLF Plan and submitted that to EDA for review.

**"POWER" Assistance to Coal Communities:**

- **Energy Transition Act:** The COG continues to build from momentum of EDA's investment to assist Coal Impacted Communities, including tracking statewide policy rolled up in [Senate Bill 489](#), entitled Energy Transition Act, which was passed and signed into law. COG staff participated in the Northwest Regional Economic Outlook Forum.
- **Tri-State Generation and Transmission:** COG staff has also been hyper focused on understanding future plans of TriState as it relates to [Escalante Generating Station](#). The shutdown will eliminate 107 jobs in our region by December 2020. COG staff presented to Tri-State's board in order to secure \$5M in community transition funding and supported legislation and funding from the State Legislature.

**SET Initiative-US Department of Agriculture-Rural Development (USDA-RD):** The COG supported Shiprock Chapter's application that was part of the region's SET Plan.

**Adventure Tourism.** COG staff continued service on the Board of Directors of Adventure Gallup & Beyond, Inc., and served as an integral part of its initiatives, including collaborative work on the *Zuni Mountains Trails Partnership Master Plan* with the US Forest Service and other stakeholders. COG work, this quarter, included:

- (1) **Zuni Mountains Trail Project:** During this quarter, COG oversaw the completion of construction of 16 miles of project and the build-out of the Milk Ranch trailhead.
- (2) **Mount Taylor and Zuni Mountains Collaborative:** staff also continued attending these joint-county meetings and supporting subcommittees for NM579 Lobo Canyon Bike Lanes, Grants Trail Project, La Mosca Road Project, and Equestrian Staging Area.

**Trail of the Ancients Byway and Four Corners Geotourism Website:** The COG has assumed a leadership role in applying for national certification of our regional byway, NM Trail of the Ancients and looking to take over ownership and management responsibilities of this website as a marketing and asset inventory asset to promote authentic trips and travel in our region. <https://fourcornersgeotourism.com/>



**Broadband:** COG staff is supporting a Four Corners regional broadband project and individual applications to build out redundancy in Northwest NM. Staff worked to support Navajo Nation request for funding this Legislative Session.

#### San Juan County

**Four Corners Economic Development (4CED):** COG staff attended the Northwest Regional Economic Outlook Forum on January 7, 2020 and started work on the San Juan County OZ Community Profile.

#### McKinley County

**Planning Initiatives:** COG staff continues to support several planning projects including a Retail Market Study, Housing Study and Inland Port Study.

**Coal Avenue Commons:** Funded through National Endowment for the Arts, the COG is a lead partner in re-designing downtown Gallup through a creative placemaking approach. This quarter, COG staff helped to garner a \$800,000 NM MainStreet grant for Phase I of the project.

Additional Information: <https://www.coalavenuecommons.com/>

**Navajo Convenience Stores:** COG staff continued to track development of two convenience stores in Eastern Navajo agency.

**Greater Gallup Economic Development Corporation, Inc.** The COG continued its active partnership with the GGEDC, including:

- **Gallup Executive Directors' Association (GEDA)** – COG staff continued to attend these meetings.
- **Retail Roundtable:** COG staff supported, facilitated, and partnered on this year's Economic Roundtable that was focused on retail expansion. Here is an image of the final report from January 31, 2020.



#### Cibola County

**Cibola Communities Economic Development Foundation (CCEDF):** The COG contracted CCEDF for services related to the EDA Assistance to Coal Communities initiative and Milan Farm Industrial Park to grow their capacity.

**Milan Industrial Park:** Continued to work with CCEDF, on planning and developing this Industrial Park, including review of legal documents and providing a conceptual design of the Park as well as the Milan Commercial Zone with land use overlays.

**3.3.5 Transportation:** The COG team continued to administer the multi-year contract from the New Mexico DOT to staff the Northwest Regional Transportation Planning Organization (NWRTPO) work plan. This quarter's highlights, reported by RTPO contract category, included:

#### Long Range Planning:

- **Northwest Regional Transportation Plan Revision:** Staff reviewed current plan for needed updates including Opportunity Zone and Trail of the Ancients Byway inclusion, and stayed tuned to NMDOT in terms of changes and process in revising the New Mexico Transportation Plan.

- Shiprock Chapter Rural Economic Development Innovation (REDI) Plan: RTPO Staff participated in several community meetings that were focused on creating a master plan for the River Vision initiative in Shiprock Chapter (funded by USDA).

**Technical Support & Data Management:**

- Zuni Mountains Trail Projects: Staff continued to support the plan, design, build-out and quality assurance for this project including Milk Ranch, McGaffey, and Quartz Hill trails.
- Policy Support: COG staff provided communications from the NM Legislative Session and in Washington, D.C. to members on key pieces of transportation policy, including the changes to the Local Government Transportation Planning Fund.

**Project Development & Monitoring:**

- Call for Transportation Projects: This quarter, staff revised and updated the call for project guidance.
- Local Government Transportation Project Fund: Staff participated in setting statewide and NMDOT criteria for this program.

**Other Activities & Projects:**

- Scenic Byway: RTPO continued working on an application to designate the Trail of the Ancients byway nationally based on the new National Scenic Byway Bill "Reviving America's Scenic Byways Act of 2019" signed into law by President Trump and FHWA program guidance. Staff re-created the Byway Council and reviewed the Corridor Management Plan.

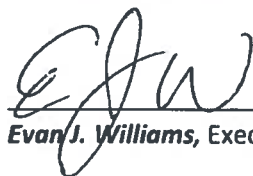
**General RTPO Support:**

- RTPO Meetings: Staff hosted monthly meetings throughout the region and participated in the quarterly RTPO Roundtable.
- Orientations: Staff updated the orientation presentation and began a series of orientations for each member entity.

**RTPO Administration:**

- Quarterly Report: these were completed and submitted to NMDOT.

Respectfully submitted  
on behalf of the COG staff,



*Evan J. Williams*, Executive Director

**FOR MORE INFORMATION, TAP RESOURCES AND FOLLOW THE COG VIA:**

Website: [www.nwnmcof.com](http://www.nwnmcof.com)

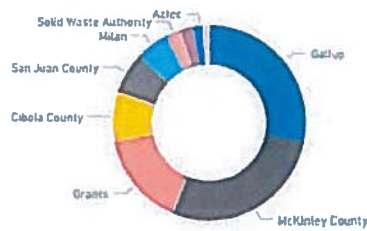
Facebook: <https://www.facebook.com/NWNMCOG>

Twitter: <https://twitter.com/NWNMCOG>

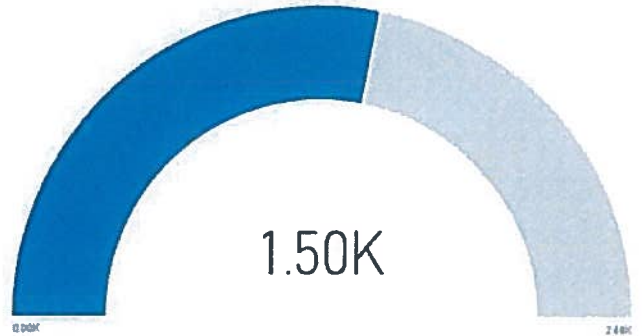
YouTube: [NWNMCOG](https://www.youtube.com/NWNMCOG)

## MEMBER HOURS REPORT

Budgeted Hours by Member

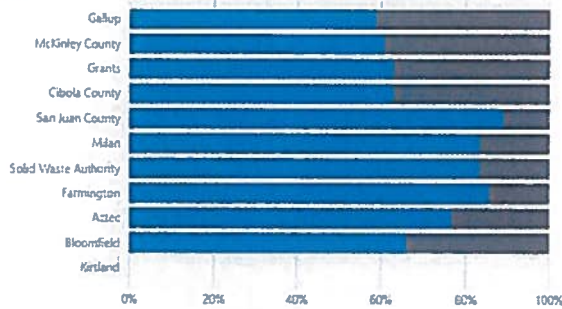


Used Hours, Minimum Value and Budgeted Hours



Budgeted Hours and Used Hours by Member

● Budgeted Hours ● Used Hours



Fund #	Member	Budgeted Hours	Used Hours	Remaining Hours
110	Cibola County	225	133.00	92.00
120	McKinley County	750	485.50	264.50
130	San Juan County	180	22.00	158.00
210	Aztec	36	11.00	25.00
220	Bloomfield	36	18.50	17.50
230	Farmington	60	10.00	50.00
240	Gallup	750	527.00	223.00
250	Grants	420	247.50	172.50
260	Milan	150	30.00	120.00
270	Kirtland	0	0.00	0.00
310	Solid Waste Authority	70	14.00	56.00
<b>Total</b>		<b>2677</b>	<b>1,498.50</b>	<b>1,178.50</b>

Fund #	Member	Budgeted Hours	Used Hours	Remaining Hours
110	Cibola County	225	133.00	92.00
120	McKinley County	750	485.50	264.50
130	San Juan County	180	22.00	158.00
210	Aztec	36	11.00	25.00
220	Bloomfield	36	18.50	17.50
230	Farmington	60	10.00	50.00
240	Gallup	750	527.00	223.00
250	Grants	420	247.50	172.50
260	Milan	150	30.00	120.00
270	Kirtland	0	0.00	0.00
310	Solid Waste Authority	70	14.00	56.00
<b>Total</b>		<b>2677</b>	<b>1,498.50</b>	<b>1,178.50</b>



# Financial Report



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BOARD MEETING PACKET  
NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS



BOARD OF DIRECTORS  
REGULAR BUSINESS MEETING  
April 15, 2020



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**A. FY2020 Financial Report, Q3**

- Snapshot
- Balance Sheet
- Profit & Loss Condensed Report
- Profit & Loss Full Report
- P&L/Budget Performance Report
- Statement of Cash Flows Report

## Company Snapshots & Financial Report Overview

Quarter #3, FY2020  
January – March 2020

### Profit & Loss

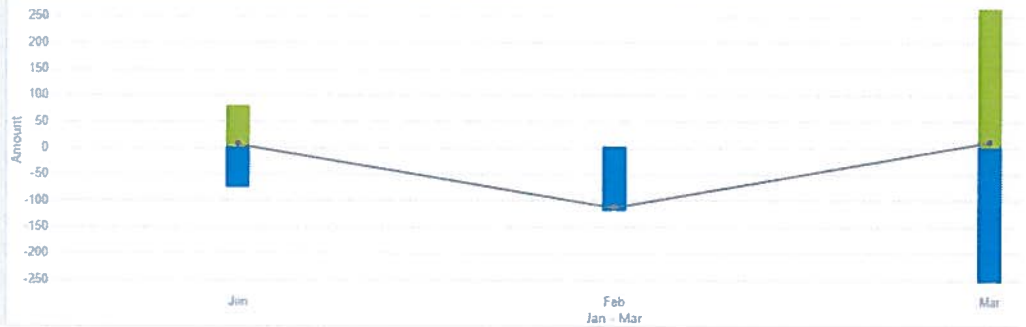


Northwest New Mexico Council of Governments  
Sunday, April 12 2020

#### Profit & Loss

Last Fiscal Quarter

(98,954.32)  
NET INCOME  
348,166.78  
INCOME  
447,121.10  
EXPENSES

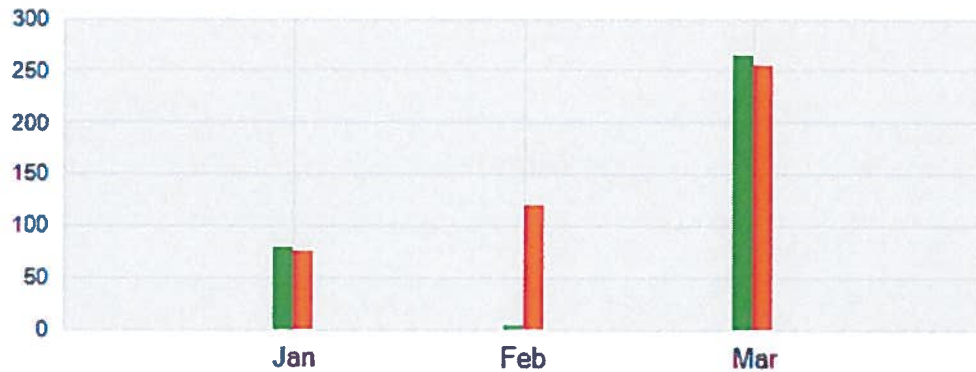


### Income and Expenses by Month

#### Income and Expense Trend

\$ in 1000s

Last quarter



Income Expense

### Income Breakdown

#### Income Breakdown

Last quarter



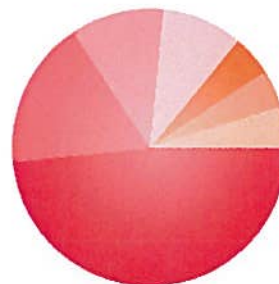
500 - Federal grants and ...  
100 - General  
600 - State grants an ...  
800 - Local Grants & ...  
Other Accounts

Total: \$348,166.78

### Expense Breakdown

#### Expense Breakdown

Last quarter



f Contractual  
a Personnel  
58000 - Grant Match ...  
g Construction  
h Other  
b Fringe Benefits  
Other Accounts

Total: \$447,121.10

**Northwest New Mexico Council of Governments**  
**Balance Sheet**  
**As of March 31, 2020**

	Mar 31, 20
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10100 · Pinnacle Bank - Operating (Operating - Checking)	85,129.25
10102 · Pinnacle Bank - R.L.F.	101,458.18
10103 · Pinnacle Bank - RLF Sequestered	95,511.95
10104 · Pinnacle Bank - F.S.L.F.	62,316.42
<b>Total Checking/Savings</b>	344,415.80
<b>Accounts Receivable</b>	
10300 · Accounts Receivable (Unpaid or unapplied customer invoices and credits)	418,242.78
10602 · Loans Receivable - L.F.	173,438.02
10604 · Loan Allowance	-173,438.02
<b>Total Accounts Receivable</b>	418,242.78
<b>Total Current Assets</b>	762,658.58
<b>Fixed Assets</b>	
14000 · Property & Equipment	462,145.00
14010 · Software	4,178.00
14050 · Accumulated Dep	-129,344.50
<b>Total Fixed Assets</b>	336,978.50
<b>Other Assets</b>	
10400 · Due From	147,760.82
1500X · Deferred Outflows	180,924.00
20400 · Due To	-147,760.82
<b>Total Other Assets</b>	180,924.00
<b>TOTAL ASSETS</b>	<b>1,280,561.08</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20100 · Accounts Payable (Unpaid or unapplied vendor bills or credits)	8,625.00
<b>Total Accounts Payable</b>	8,625.00
<b>Other Current Liabilities</b>	
20200 · Deferred Revenue	322,083.31
20300 · Accrued Wages	5,877.48
203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or...	
203001 · PERA Liability	
203001A · PERA Liability - Employer	38.16
203001 · PERA Liability - Other	1,764.50
<b>Total 203001 · PERA Liability</b>	1,802.66
203002 · EE Insurance Liability	2,031.10
203003 · NM Workers Compensation	20.00
203004 · NM Unemployment Liability	266.54
203005 · Federal Unemployment Liability	94.57
203006 · Employee Fund Liability	447.50
203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld...	-837.81
<b>Total 203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withh...</b>	3,824.56
20302 · Accrued Payroll Taxes	267.70
20304 · Accrued Employee FB	-1,657.17
20305 · Accrued Interest	80.50
20500 · Employee Fund	470.00
<b>Total Other Current Liabilities</b>	330,946.38
<b>Total Current Liabilities</b>	339,571.38
<b>Long Term Liabilities</b>	
2200X · Net Pension Liability	457,585.00
2300X · Deferred Inflows	157,735.00
27000 · Compensated Absences	25,983.00
<b>Total Long Term Liabilities</b>	641,303.00
<b>Total Liabilities</b>	980,874.38
<b>Equity</b>	
30000 · Opening Balance Equity (Opening balances during setup post to this account. Th...	61,220.05
30002 · Opening Balance Equity - L.F.	259,326.00
3100X · Beginning Net Position	-427,982.00
32000 · Retained Earnings (Undistributed earnings of the corporation)	80,627.24
39000 · Invested in Capital Assets	365,159.00
39500 · FB - Long term Debt	-51,147.00
Net Income	12,483.41
<b>Total Equity</b>	299,686.70
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,280,561.08</b>

3:40 PM

## Northwest New Mexico Council of Governments

04/12/20

## Profit &amp; Loss

Accrual Basis

July 2019 through March 2020

	Jul - Sep 19	Oct - Dec 19	Jan - Mar 20	TOTAL
<b>Ordinary Income/Expense</b>				
Income				
100 · General	83,842.25	104,752.30	103,833.38	292,427.93
500 · Federal grants and contracts	13,382.20	29,777.43	215,122.22	258,281.85
600 · State grants and Contracts	40,919.43	44,718.18	80,277.93	165,915.54
700 · Private Grants & Contracts	0.00	15,889.35	0.00	15,889.35
800 · Local Grants & Contracts	7,721.68	164,212.13	-58,800.44	113,133.37
900 · Asset Maintenance Fund	8,158.17	7,916.28	7,733.69	23,808.14
<b>Total Income</b>	<b>154,023.73</b>	<b>367,265.67</b>	<b>348,166.78</b>	<b>869,456.18</b>
<b>Gross Profit</b>	<b>154,023.73</b>	<b>367,265.67</b>	<b>348,166.78</b>	<b>869,456.18</b>
Expense				
a. Personnel	57,627.96	86,262.29	77,080.59	220,970.84
b. Fringe Benefits	14,441.52	20,796.38	19,646.81	54,884.71
c. Travel	3,436.95	5,918.59	11,344.27	20,699.81
d. Equipment	0.00	0.00	5,182.26	5,182.26
e. Supplies	4,049.38	2,148.46	3,902.20	10,100.04
f. Contractual	5,393.76	90,448.83	216,189.80	312,032.39
g. Construction	0.00	0.00	42,402.09	42,402.09
h. Other	17,267.61	21,619.70	21,709.61	60,596.92
58000 · Grant Match Expense	21,461.81	48,515.20	48,802.03	118,779.04
60113 · Payroll Processing Fees	481.89	587.84	861.44	1,931.17
60900 · Depreciation Expense (Depreciation on equipment, build...	0.00	9,393.50	0.00	9,393.50
<b>Total Expense</b>	<b>124,160.88</b>	<b>285,690.79</b>	<b>447,121.10</b>	<b>856,972.77</b>
<b>Net Ordinary Income</b>	<b>29,862.85</b>	<b>81,574.88</b>	<b>-98,954.32</b>	<b>12,483.41</b>
<b>Net Income</b>	<b>29,862.85</b>	<b>81,574.88</b>	<b>-98,954.32</b>	<b>12,483.41</b>

## Northwest New Mexico Council of Governments

## Profit &amp; Loss

July 2019 through March 2020

	Jul - Sep 19	Oct - Dec 19	Jan - Mar 20	TOTAL
Ordinary Income/Expense				
Income				
100 - General				
40400 - Local Revenue				
40401 - Member Dues	62,375.00	57,375.00	55,500.00	175,250.00
Total 40400 - Local Revenue	62,375.00	57,375.00	55,500.00	175,250.00
40501 - Interest Income	5.44	8.73	7.83	20.00
40504 - Misc. Income	0.00	-1,144.63	-478.46	-1,621.11
48000 - Matching Revenue	21,461.81	48,515.20	48,802.03	118,779.04
Total 100 - General	83,842.25	104,752.30	103,833.38	292,427.93
500 - Federal grants and contracts				
40100 - Federal Grant Revenue	13,382.20	29,777.43	215,122.22	258,281.85
Total 500 - Federal grants and contracts	13,382.20	29,777.43	215,122.22	258,281.85
600 - State grants and Contracts				
40200 - State Grant Revenue	40,919.43	44,718.18	80,277.93	165,915.54
Total 600 - State grants and Contracts	40,919.43	44,718.18	80,277.93	165,915.54
700 - Private Grants & Contracts				
40300 - Private/Foundations Revenue	0.00	15,889.35	0.00	15,889.35
Total 700 - Private Grants & Contracts	0.00	15,889.35	0.00	15,889.35
800 - Local Grants & Contracts				
40402 - Special Project Revenue	0.00	184,212.13	-58,800.44	105,411.69
40403 - Local Fiscal Agency Fees	7,721.68	0.00	0.00	7,721.68
Total 800 - Local Grants & Contracts	7,721.68	184,212.13	-58,800.44	113,133.37
900 - Asset Maintenance Fund				
40502 - Rent Income	7,200.00	7,200.00	7,400.00	21,800.00
40503 - Vehicle Mileage Reimbursements	958.17	718.28	333.69	2,008.14
Total 900 - Asset Maintenance Fund	8,158.17	7,918.28	7,733.69	23,808.14
Total Income	154,023.73	387,265.67	348,166.78	889,456.18
Gross Profit	154,023.73	387,265.67	348,166.78	889,456.18
Expense				
a. Personnel				
50000 - Payroll Expenses	0.00	0.00	-109.83	-109.83
50001 - Wages & Salaries	57,627.96	66,262.29	77,190.22	221,080.47
Total a. Personnel	57,627.96	66,262.29	77,080.39	220,970.64
b. Fringe Benefits				
50002 - Employee FB	5,544.81	8,418.43	7,564.74	21,527.98
50004 - Payroll Taxes	4,853.95	7,322.83	6,718.16	18,894.94
50100 - Insurance	4,031.26	4,779.08	5,241.96	14,052.30
50101 - Life and Disability Insurance	0.00	262.44	121.95	384.39
50102 - Worker's Compensation	11.50	13.60	0.00	25.10
Total b. Fringe Benefits	14,441.52	20,796.38	19,646.81	54,884.71
c. Travel				
60108 - Registration	75.00	2,685.00	2,094.19	5,554.19
60200 - Travel & Per Diem	2,311.19	2,435.41	7,895.64	12,642.24
60201 - Mileage Costs	1,050.78	596.18	654.44	2,303.38
Total c. Travel	3,436.95	5,916.59	11,344.27	20,697.81
d. Equipment				
60900 - Equipment Purchase	0.00	0.00	5,182.28	5,182.28
Total d. Equipment	0.00	0.00	5,182.28	5,182.28
e. Supplies				
60100 - Office Supplies	1,408.75	2,060.46	1,251.47	4,718.68
60500 - Computer Software & Equipment	2,642.63	88.00	2,656.73	5,387.36
Total e. Supplies	4,049.38	2,148.46	3,908.20	10,106.04
f. Contractual				
60405 - Professional Services-Restrict	0.00	63,770.00	205,941.65	269,711.65
60406 - Professional Services-General	5,393.78	18,430.70	5,363.76	29,188.24
60504 - Audit	0.00	10,248.13	4,854.39	15,102.52
Total f. Contractual	5,393.78	82,448.83	216,160.80	312,032.39
g. Construction				
60901 - Property Improvement	0.00	0.00	42,402.09	42,402.09
Total g. Construction	0.00	0.00	42,402.09	42,402.09
h. Other				
Facility Expenses				
60404 - Rent Expense	3,800.00	3,800.00	3,800.00	11,400.00
60700 - Facility Maintenance	1,496.16	2,722.62	1,241.40	5,459.18
60701 - Utility	1,576.62	1,227.36	1,843.44	4,447.42
Total Facility Expenses	6,872.80	7,549.98	6,884.84	20,907.62
Vehicle Expenses				
60602 - Vehicle Insurance	821.60	1,642.40	930.40	2,594.40
60703 - Vehicle Maintenance	67.81	70.81	82.22	220.84
60704 - Fuel Expense	1,075.31	962.35	953.09	2,990.75
Total Vehicle Expenses	1,764.72	2,675.56	1,965.71	5,806.09
60101 - Duplicating & Copying	1,844.02	1,539.45	1,935.91	5,319.38
60102 - Postage and Delivery	432.46	467.76	701.67	1,601.89
60103 - Telephone & Telecom	1,372.55	1,828.00	5,287.55	8,488.10
60104 - Subscription & Dues	2,552.81	1,917.40	2,496.27	6,966.57
60105 - Meeting	1,828.29	1,448.85	691.10	3,968.24
60106 - Printing	0.00	506.97	0.00	506.97
60107 - Advertising	76.76	76.76	76.76	230.28
60112 - Service Charge(s)	0.00	613.76	113.91	727.67
60603 - Other Insurance	549.25	3,364.20	1,354.20	5,267.65
60801 - Miscellaneous Expense	0.00	0.00	273.96	273.96
60802 - Hospitality Employee Fund	171.95	120.82	123.73	416.50
Total h. Other	17,267.81	21,819.70	21,769.81	60,596.82
58000 - Grant Match Expense	21,451.81	48,515.20	48,802.03	118,779.04
60113 - Payroll Processing Fees	481.69	587.84	861.44	1,931.17
60900 - Depreciation Expense (Depreciation on equipment, buildin...	0.00	9,383.50	0.00	9,383.50
Total Expense	124,180.68	285,690.79	447,121.10	856,972.77
Net Ordinary Income	29,843.05	81,574.88	-98,954.32	12,463.41
Net Income	29,843.05	81,574.88	-98,954.32	12,463.41

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04/12/20

Accrual Basis

# Northwest New Mexico Council of Governments Profit & Loss Budget Performance

July 2019 through March 2020

	Jul '19 - Mar 20	Budget	Jul '19 - Mar 20	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
100 - General	292,427.93	176,475.01	292,427.93	176,475.01	235,300.00
500 - Federal grants and contracts	258,281.85	352,500.02	258,281.85	352,500.02	470,000.00
600 - State grants and Contracts	165,915.54	194,250.01	165,915.54	194,250.01	259,000.00
700 - Private Grants & Contracts	15,889.35		15,889.35		
800 - Local Grants & Contracts	113,133.37	710,318.25	113,133.37	710,318.25	947,091.00
900 - Asset Maintenance Fund	23,808.14	29,250.00	23,808.14	29,250.00	39,000.00
Total Income	869,456.18	1,462,793.29	869,456.18	1,462,793.29	1,950,391.00
Gross Profit	869,456.18	1,462,793.29	869,456.18	1,462,793.29	1,950,391.00
Expense					
a. Personnel	220,970.84	350,182.50	220,970.84	350,182.50	466,910.01
b. Fringe Benefits	54,884.71	89,538.75	54,884.71	89,538.75	119,385.00
c. Travel	20,699.81	30,702.74	20,699.81	30,702.74	40,937.00
d. Equipment	5,182.26	0.00	5,182.26	0.00	0.00
e. Supplies	10,100.04	12,900.01	10,100.04	12,900.01	17,200.00
f. Contractual	312,032.39	655,155.00	312,032.39	655,155.00	873,540.00
g. Construction	42,402.09	58,793.26	42,402.09	58,793.26	78,391.00
h. Other	60,596.92	75,909.07	60,596.92	75,909.07	101,212.00
58000 - Grant Match Expense	118,779.04		118,779.04		
60113 - Payroll Processing Fees	1,931.17		1,931.17		
60900 - Depreciation Expense (Depreciation on equipment, buildings and improvements)	9,393.50		9,393.50		
Total Expense	856,972.77	1,273,181.33	856,972.77	1,273,181.33	1,697,575.01
Net Ordinary Income	12,483.41	189,611.96	12,483.41	189,611.96	252,815.99
Net Income	12,483.41	189,611.96	12,483.41	189,611.96	252,815.99

**Northwest New Mexico Council of Governments**  
**Statement of Cash Flows**  
 July 2019 through March 2020

Jul '19 - Mar 20

**OPERATING ACTIVITIES**

Net Income	12,483.41
Adjustments to reconcile Net Income to net cash provided by operations:	
10300 · Accounts Receivable	-321,185.37
20100 · Accounts Payable	8,625.00
20001 · Manual Accounts Payable	-4,374.84
20200 · Deferred Revenue	322,083.31
203000 · Accrued Payroll Liabilities:203001 · PERA Liability	62.49
203000 · Accrued Payroll Liabilities:203001 · PERA Liability:203001A · PERA Liability - Employer	38.16
203000 · Accrued Payroll Liabilities:203002 · EE Insurance Liability	172.66
203000 · Accrued Payroll Liabilities:203003 · NM Workers Compensation	-26.00
203000 · Accrued Payroll Liabilities:203004 · NM Unemployment Liability	211.07
203000 · Accrued Payroll Liabilities:203006 · Employee Fund Liability	287.50

Net cash provided by Operating Activities 18,377.39

**INVESTING ACTIVITIES**

14050 · Accumulated Dep	9,393.50
10400 · Due From	-129,779.04
20400 · Due To	129,779.04

Net cash provided by Investing Activities 9,393.50

Net cash increase for period 27,770.89

Cash at beginning of period 316,644.91

Cash at end of period 344,415.80



BOARD OF DIRECTORS  
REGULAR BUSINESS MEETING  
April 15, 2020



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**B. FY2020 Budget Amendment #3**

- Revenues to Actuals Report
- Expenses to Actuals Report
- Budget Amendment #3 Overview
- Budget Amendment #3

# COG Budget: Revenues to Actuals (July 2019 - March 2020)

Line-Items	Minimum		Budget	Q1				Q2				Q3				Q4				Annual %		Q3 %	
	Value																	Total	Balance	Variance	Variance		
GENERAL FUND (100) - MEMBER DUES	\$ -		\$ 234,500	\$ 62,375.00	\$ 57,375.00	\$ 55,500.00											\$ 175,250.00	\$ 59,250.00	25%	0%			
FEDERAL: EDA - Partnership Planning Grant (501)	\$ -		\$ 70,000	\$ 14,975.73	\$ 31,052.48	\$ 26,398.67											\$ 72,426.88	\$ (2,426.88)	-3%	-28%			
FEDERAL: EDA - Assistance to Coal Communities (513)	\$ -		\$ 400,000	\$ -	\$ -	\$ 189,857.24											\$ 189,857.24	\$ 210,142.76	53%	28%			
STATE: LGD - State Grant in Aid (601)	\$ -		\$ 99,000	\$ 24,750.00	\$ 24,750.00	\$ 24,750.00											\$ 74,250.00	\$ 24,750.00	25%	0%			
STATE: DOT - Regional Trans. Planning Org (602)	\$ -		\$ 89,158	\$ 19,134.00	\$ 22,920.61	\$ 24,291.48											\$ 66,346.09	\$ 22,811.91	26%	1%			
PRIVATE: COPE Food Mapping Project (717)	\$ -		\$ 16,000	\$ -	\$ 15,889.35	\$ -											\$ 15,889.35	\$ 110.65	1%	-24%			
LOCAL: McKinley County - Workforce (852-A)	\$ -		\$ 200,000	\$ -	\$ 150,000.00	\$ 50,000.00											\$ 200,000.00	\$ -	0%	-25%			
LOCAL: McKinley County - Prewitt Industrial Park (852-B)	\$ -		\$ 190,000	\$ -	\$ 100,000.00	\$ 45,000.00											\$ 145,000.00	\$ 45,000.00	24%	-1%			
LOCAL: Milan - Milian Industrial Park (852-C)	\$ -		\$ 150,000	\$ -	\$ -	\$ 50,000.00											\$ 50,000.00	\$ 100,000.00	67%	42%			

**COG Budget: Expenses to Actuals (July 2019 - March 2020)**

Line-Items		Minimum Value				Annual % Variance				Q3 % Variance			
		Value	Budget	Q1	Q2	Q3	Q4	Total	Balance	Variance			
FRINGE BENEFITS		\$ -	\$ 487,195	\$ 57,627.96	\$ 86,262.29	\$ 77,080.59		\$ 220,970.84	\$ 266,224.16	55%	30%		
Registration (Training)		\$ -	\$ 9,001	\$ 75.00	\$ 2,885.00	\$ 2,994.19		\$ 5,954.19	\$ 3,046.81	34%	9%		
Travel & Per Diem		\$ -	\$ 16,584	\$ 2,311.19	\$ 2,435.41	\$ 7,695.64		\$ 12,442.24	\$ 4,141.76	25%	0%		
Millage Costs		\$ -	\$ 15,000	\$ 1,050.76	\$ 598.19	\$ 654.44		\$ 2,303.39	\$ 12,696.61	85%	60%		
Equipment Purchase		\$ -	\$ 1	\$ -	\$ -	\$ 5,182.26		\$ 5,182.26	\$ (5,181.26)	-5181.26%	-518151%		
Office Supplies		\$ -	\$ 15,000	\$ 1,406.75	\$ 2,060.46	\$ 1,251.47		\$ 4,718.68	\$ 10,281.32	69%	44%		
Office Furniture & Equipment Lease		\$ -	\$ 1,800	\$ -	\$ -	\$ -		\$ -	\$ 1,800.00	100%	75%		
Computer Software & Equipment		\$ -	\$ 400	\$ 2,642.63	\$ 88.00	\$ 2,650.73		\$ 5,381.36	\$ (4,981.36)	-1245%	-1270%		
Professional Services/Restricted		\$ -	\$ 865,700	\$ -	\$ 63,770.00	\$ 239,978.10		\$ 303,748.10	\$ 561,951.90	65%	40%		
Professional Services/General		\$ -	\$ 35,000	\$ 5,393.76	\$ 16,430.70	\$ 10,248.15		\$ 32,072.61	\$ 2,927.39	8%	-17%		
Audit		\$ -	\$ 18,540	\$ -	\$ 10,248.13	\$ 4,854.39		\$ 15,102.52	\$ 3,437.48	19%	-6%		
Property Improvements		\$ -	\$ 78,391	\$ -	\$ -	\$ 42,402.09		\$ 42,402.09	\$ 35,988.91	46%	21%		
Duplicating/Copying		\$ -	\$ 8,500	\$ 1,844.02	\$ 1,539.45	\$ 1,935.91		\$ 5,319.38	\$ 3,180.62	37%	12%		
Postage & Delivery		\$ -	\$ 1,500	\$ 432.46	\$ 467.76	\$ 701.67		\$ 1,601.89	\$ (101.89)	-7%	-32%		
Telephone & Telecom		\$ -	\$ 8,500	\$ 1,372.55	\$ 1,828.00	\$ 5,287.55		\$ 8,488.10	\$ 11.90	0%	-25%		
Subscriptions & Dues		\$ -	\$ 10,000	\$ 2,552.81	\$ 1,917.49	\$ 2,498.27		\$ 6,968.57	\$ 3,031.43	30%	5%		
Meeting Costs		\$ -	\$ 2,500	\$ 1,828.29	\$ 1,446.85	\$ 691.10		\$ 3,966.24	\$ (1,466.24)	-59%	-84%		
Printing		\$ -	\$ 3,950	\$ -	\$ 596.97	\$ -		\$ 596.97	\$ 3,353.03	85%	60%		
Advertising		\$ -	\$ 1,700	\$ 78.76	\$ 78.76	\$ 78.76		\$ 236.28	\$ 1,463.72	86%	61%		
Special Events		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0%	0%		
Service Charges		\$ -	\$ 500	\$ -	\$ 613.76	\$ 113.91		\$ 727.67	\$ (227.67)	-46%	-71%		
Other Insurance		\$ -	\$ 4,177	\$ 549.25	\$ 3,384.20	\$ 1,354.20		\$ 5,287.65	\$ (1,110.65)	-27%	-52%		
Miscellaneous Expense/Hospitality		\$ -	\$ 477	\$ 171.95	\$ 120.82	\$ 397.69		\$ 690.46	\$ (213.46)	-45%	-70%		
Rent		\$ -	\$ 24,000	\$ 3,600.00	\$ 3,600.00	\$ 3,800.00		\$ 11,000.00	\$ 13,000.00	54%	29%		
Facility Insurance		\$ -	\$ 4,609	\$ -	\$ -	\$ -		\$ -	\$ 4,609.00	100%	75%		
Facility Maintenance		\$ -	\$ 6,000	\$ 1,496.18	\$ 2,722.62	\$ 1,241.40		\$ 5,460.20	\$ 539.80	9%	-16%		
Utilities		\$ -	\$ 10,000	\$ 1,576.62	\$ 1,227.36	\$ 1,643.44		\$ 4,447.42	\$ 5,552.58	56%	31%		
Vehicle Insurance		\$ -	\$ 2,864	\$ 621.60	\$ 1,042.40	\$ 930.40		\$ 2,594.40	\$ 269.60	9%	-16%		
Vehicle Maintenance		\$ -	\$ 6,000	\$ 67.81	\$ 70.91	\$ 82.22		\$ 220.94	\$ 5,779.06	96%	71%		
Fuels Expense		\$ -	\$ 6,000	\$ 1,075.31	\$ 962.35	\$ 953.09		\$ 2,990.75	\$ 3,009.25	50%	25%		
Vehicle Acquisition		\$ -	\$ 136	\$ -	\$ -	\$ -		\$ -	\$ 136.00	100%	75%		





## NWNMCOG | NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

106 West Aztec Avenue  
Gallup, NM 87301  
Phone: [505] 722-4327  
Fax: [505] 722-9211

US Economic Development District #1  
NM State Planning District #1  
[www.nwnmcog.com](http://www.nwnmcog.com)  
Executive Director | Evan Williams

### Memorandum

**DATE:** April 15, 2020  
**TO:** COG Board of Directors  
**FROM:** Evan Williams, Executive Director  
**cc:** Martina Whitmore, Administrative Assistant  
**RE:** Budget Amendment #3 FY2020

This memorandum is to provide some budget narrative to accompany our third budget amendment and presentation to the Board.

This budget amendment adjusts the budget revenues and budget expenses based on current actuals and projected needs in our final quarter.

#### **EDA (FUND513) and McK/Milan ACC Match (FUND 852)**

This budget showcases actual revenues and drawdowns including moving deferred revenues from McKinley County (DWS) workforce program that will be needed to support COG work for FY21 & FY22.

#### **Unbudgeted Expenses**

- (1) **Equipment Purchase (\$5,181.26)** – this expense was the purchase of new telephones to accommodate Voice over Internet Protocol (VOIP) phones. This was required as part of the broadband/fiber connection and upgrading to internet served phones.
- (2) **Computer Software & Equipment (\$5,381.36)** – this expense was needed to outfit new Planner position and desktop unit for Brandon Howe, and a laptop unit (paid for by a special private grant) for Carrie House.

# NWNMCOG FY 2020 Budget Amendment #3 (April 2020)

Board Review & Approval: 7/17/19, Amendment #1: October 2019, Amendment #2: January 15, 2020

Fund Class Fund/Program	TOTAL ANNUAL BUDGET	General Fund		Federal Grants & Contracts		State Grants & Contracts		Local Grants & Contracts								
		100 General & Member Svcs	501 USDOC/ EDA-PPG	513 EDA-ACC	502 USDOC/ EDA-RLF	601 New Mexico LSD-SGA	602 New Mexico DOT-RTPO	627 LSD Capital Outlay	717 COPE Food Mapping	821 McKinley ESPC	843 McK ZMTP QA-QC	843 McK ZMTP Quartz Hill PD	852 McK/Milan-ACC	853 Cibola CWP		
REVENUES																
100 GENERAL FUND	\$ 234,500	\$ 95,710	\$ 17,500	\$ -	\$ -	\$ 99,000	\$ 22,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
MEMBERSHIP DUES	\$ 234,500	\$ 234,500														
MATCHING FUND TRANSFERS	\$ 0	\$ (138,790)	\$ 17,500			\$ 99,000	\$ 22,290	\$ -								
FEDERAL GRANTS & CONTRACTS	\$ 470,000	\$ -	\$ 70,000	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
600 STATE GRANTS & CONTRACTS	\$ 263,158	\$ -				\$ 99,000	\$ 89,158	\$ 75,000								
700 PRIVATE GRANTS & CONTRACTS	\$ 16,000															
800 LOCAL GRANTS & CONTRACTS	\$ 676,000	\$ -														
Local Grants & Contracts	\$ 676,000															
INTERFUND TRANSFERS	\$ -															
900 OTHER REVENUES/Asset Mgt	\$ 30,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Rent Revenue	\$ 24,000															
Fleet Mileage Revenue	\$ 6,803															
TOTAL NET REVENUES	\$ 1,690,461	\$ 95,710	\$ 87,500	\$ 400,000	\$ -	\$ 198,000	\$ 111,448	\$ 75,000	\$ 16,000	\$ -	\$ 23,000	\$ 15,000	\$ 399,026	\$ 16,500		
Percentage of Total Revenues	100.00%	5.65%	5.18%	23.65%	0.00%	11.71%	6.59%	4.44%	0.95%	0.00%	1.36%	0.89%	23.60%	0.98%		
EXPENSES																
BUDGET LINE ITEM	FUND/PROGRAM	TOTAL ANNUAL BUDGET	GENERAL FUND		FEDERAL GRANTS & CONTRACTS				STATE GRANTS & CONTRACTS				LOCAL GRANTS & CONTRACTS			
			100 General Admin	501 EDA PPG	513 EDA-ACC	502 EDA RLF	601 NM LSD-SGA	602 NM DOT-RTPO	627 LSD Capital Outlay	717 COPE Food Mapping	821 McK ESPC	843 McK ZMTP QA-QC	843 McK Quartz Hill PD	852 McK/Milan-ACC	853 Cibola CWP	
a. PERSONNEL (Wages/Salaries)	50001	\$ 335,000	\$ 49,792	\$ 45,658	\$ -	\$ -	\$ 100,385	\$ 57,200	\$ -	\$ 2,513	\$ -	\$ 14,250	\$ 10,000	\$ 44,000	\$ 3,715	
b. FRINGE BENEFITS		\$ 86,236	\$ 7,809	\$ 3,426	\$ -	\$ -	\$ 3,416	\$ 3,962	\$ -	\$ -	\$ -	\$ 4,474	\$ 2,101	\$ 2,200	\$ 351	
c. TRAVEL		\$ 28,368														
Registration (Training)	60108	\$ 5,001	\$ -	\$ 926	\$ -	\$ -	\$ 1,000	\$ 501	\$ -	\$ -	\$ -	\$ 1,474	\$ 601	\$ 500	\$ -	
Travel & Per Diem	60200	\$ 16,584	\$ 7,206	\$ 2,000	\$ -	\$ -	\$ 1,527	\$ 1,850	\$ -	\$ 650	\$ -	\$ 1,500	\$ 1,000	\$ 700	\$ 151	
Mileage Costs	60201	\$ 6,803	\$ 603	\$ 500	\$ -	\$ -	\$ 889	\$ 1,611	\$ -	\$ -	\$ -	\$ 1,500	\$ 500	\$ 1,000	\$ 200	
d. EQUIPMENT		\$ 5,182	\$ -	\$ 1,140	\$ -	\$ -	\$ 2,643	\$ 1,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Equipment Purchase	69000	\$ 5,182	\$ -	\$ 1,140	\$ -	\$ -	\$ 2,643	\$ 1,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
e. SUPPLIES		\$ 20,392	\$ 2,642	\$ 3,014	\$ -	\$ -	\$ 6,987	\$ 3,699	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,700	\$ -	
Office Supplies	60100	\$ 15,000	\$ -	\$ 2,926	\$ -	\$ -	\$ 6,783	\$ 3,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,700	\$ -	
Office Furniture & Equipment Lease	60109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Computer Software & Equipment	60500	\$ 5,392	\$ 2,642	\$ 88	\$ -	\$ -	\$ 204	\$ 108	\$ -	\$ 2,350	\$ -	\$ -	\$ -	\$ -	\$ -	
f. CONTRACTUAL		\$ 806,602	\$ -	\$ 12,122	\$ 400,000	\$ -	\$ 28,102	\$ 14,878	\$ -	\$ -	\$ -	\$ -	\$ 340,000	\$ 11,500	\$ -	
Professional Services/Retired	60405	\$ 751,500	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Professional Services/General	60406	\$ 40,000	\$ -	\$ 8,800	\$ -	\$ -	\$ 20,400	\$ 10,800	\$ -	\$ -	\$ -	\$ -	\$ 340,000	\$ 11,500	\$ -	
Audit	60504	\$ 15,102	\$ -	\$ 3,322	\$ -	\$ -	\$ 7,702	\$ 4,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
g. CONSTRUCTION		\$ 100,089	\$ 16,500	\$ -	\$ -	\$ -	\$ -	\$ 5,198	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Improvements	69001	\$ 100,089	\$ 16,500	\$ -	\$ -	\$ -	\$ -	\$ 5,198	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
h. OTHER		\$ 105,711	\$ 5,691	\$ 13,152	\$ -	\$ -	\$ 37,217	\$ 13,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	
Duplicating/Copying	60101	\$ 7,000	\$ 13	\$ 1,430	\$ -	\$ -	\$ 3,315	\$ 1,255	\$ -	\$ 487	\$ -	\$ -	\$ -	\$ 500	\$ -	
Postage & Delivery	60102	\$ 1,700	\$ 57	\$ 374	\$ -	\$ -	\$ 867	\$ 402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Telephone & Telecom	60103	\$ 10,000	\$ 500	\$ 2,200	\$ -	\$ -	\$ 5,100	\$ 2,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Subscriptions & Dues	60104	\$ 10,700	\$ 700	\$ 2,354	\$ -	\$ -	\$ 5,457	\$ 2,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Meeting Costs	60105	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Printing	60106	\$ 3,950	\$ 869	\$ -	\$ -	\$ -	\$ 2,015	\$ 1,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Advertising	60107	\$ 1,752	\$ 52	\$ 385	\$ -	\$ -	\$ 894	\$ 421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Special Events	60111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Service Charges	60112	\$ 800	\$ -	\$ 176	\$ -	\$ -	\$ 408	\$ 216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Insurance (Worker's Comp & Director's)	60603	\$ 5,500	\$ 352	\$ 1,210	\$ -	\$ -	\$ 2,805	\$ 1,133	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Miscellaneous Expense	60801	\$ 700	\$ 17	\$ 154	\$ -	\$ -	\$ 357	\$ 172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FACILITY EXPENSES		\$ 44,609	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Rent	60404	\$ 24,000	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	60601	\$ 4,609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Maintenance	60700	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Utilities	60701	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
VEHICLE EXPENSES		\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	60602	\$ 2,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Maintenance	60703	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuels Expense	60704	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Vehicle Acquisition	60705	\$ 136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 1,482,418	\$ 96,997	\$ 88,647	\$ 400,000	\$ -	\$ 201,334	\$ 112,365	\$ 75,000	\$ 16,000	\$ -	\$ 22,305	\$ 14,614	\$ 399,457	\$ 16,500	\$ -	
NET REVENUES less EXPENSES	\$ 208,044	\$ (1,286)	\$ (1,347)	\$ -	\$ -	\$ (3,334)	\$ (917)	\$ -	\$ -	\$ -	\$ 695	\$ 387	\$ (431)	\$ 0	\$ 0	

BOARD OF DIRECTORS  
REGULAR BUSINESS MEETING  
April 15, 2020



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**C. FY2021 Draft Budget**

- Draft Budget Full
- Draft Budget Revenues
- Draft Budget Expenses

**NWNMCOG FY 2021 DRAFT Budget**  
Board Review & Approval: 4/15/20

Fund Class: Fund/Program:	TOTAL ANNUAL BUDGET	General Fund		Federal Grants & Contracts				State Grants & Contracts				Local Grants & Contracts				
		100	General & Member Svcs	501	513	502	601	602	627	621	643	643	852	853		
			USDOC/EDA-PPG	USDOC/EDA-ACC	USDOC/EDA-RIF	New Mexico LGO-SGA	New Mexico DOT-RTPD	LCD Capital Outlay	McKinley ESPC	McK-ZMTF McCaffrey OIAOC	McK-ZMTF Quartz Hill OIAOC	McK-Miller ACC	Chisla Comp Plan			
<b>100 GENERAL FUND</b>	<b>234,500</b>	<b>96,750</b>	<b>17,500</b>	<b>-</b>	<b>-</b>	<b>98,000</b>	<b>21,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>MEMBERSHIP DUES</b>	<b>234,500</b>	<b>234,500</b>														
110 Chisla County	\$ 20,000	\$ 20,000														
120 McKinley County	\$ 65,000	\$ 65,000														
130 San Juan County	\$ 15,000	\$ 15,000														
210 Aztec	\$ 3,000	\$ 3,000														
220 Bloomfield	\$ 3,000	\$ 3,000														
230 Farmington	\$ 5,000	\$ 5,000														
240 Gallup	\$ 65,000	\$ 65,000														
250 Grants	\$ 37,500	\$ 37,500														
260 Milan	\$ 13,500	\$ 13,500														
310 NWNM RSW Authority	\$ 7,500	\$ 7,500														
<b>MATCHING FUND TRANSFERS</b>	<b>388,400</b>	<b>17,500</b>	<b>70,000</b>	<b>318,400</b>	<b>-</b>	<b>99,000</b>	<b>21,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>500 FEDERAL GRANTS &amp; CONTRACTS</b>	<b>310,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>600 STATE GRANTS &amp; CONTRACTS</b>	<b>144,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98,000</b>	<b>85,000</b>	<b>126,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>800 LOCAL GRANTS &amp; CONTRACTS</b>	<b>190,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>900 OTHER REVENUES/ASSET Mgt</b>	<b>39,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Rent Revenue	\$ 24,000															
Fleet Mileage Revenue	\$ 15,000															
<b>TOTAL NET REVENUES</b>	<b>1,115,900</b>	<b>96,750</b>	<b>87,500</b>	<b>318,400</b>	<b>-</b>	<b>198,000</b>	<b>106,250</b>	<b>126,000</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>15,000</b>	<b>54,000</b>	<b>55,000</b>	<b>-</b>	<b>-</b>
Percentage of Total Revenues	100.00%	8.67%	7.53%	28.53%	0.00%	17.73%	9.58%	11.29%	0.00%	1.34%	1.34%	4.83%	4.83%			
<b>EXPENSES</b>																
BUDGET LINE ITEM	TOTAL ANNUAL BUDGET	GENERAL FUND		FEDERAL GRANTS & CONTRACTS				STATE GRANTS & CONTRACTS				LOCAL GRANTS & CONTRACTS				
		100	General Admin	501	513	502	601	602	627	621	643	643	852	853		
			EDA PPG	EDA-ACC	EDA-RIF	NM LGO-SGA	NM DOT-RTPD	LCD Capital Outlay	McK-ESPC	McK-ZMTF McCaffrey OIAOC	McK-ZMTF Quartz Hill OIAOC	McK-Miller ACC	Chisla Comp Plan			
<b>a. PERSONNEL (Wages/Salaries)</b>	<b>50001</b>	<b>433,726</b>	<b>44,825</b>	<b>41,020</b>	<b>30,000</b>	<b>-</b>	<b>94,880</b>	<b>54,070</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>	<b>37,350</b>	<b>28,000</b>	<b>-</b>	<b>-</b>
<b>b. FRINGE BENEFITS</b>	<b>50002</b>	<b>111,215</b>	<b>13,424</b>	<b>10,308</b>	<b>7,539</b>	<b>-</b>	<b>23,788</b>	<b>13,588</b>	<b>-</b>	<b>-</b>	<b>2,513</b>	<b>2,513</b>	<b>9,388</b>	<b>7,038</b>	<b>-</b>	<b>-</b>
Employer Payroll Taxes (7.74%)	\$ 33,570	\$ 3,454	\$ 3,175	\$ 2,322	\$ -	\$ -	\$ 7,327	\$ 4,165	\$ -	\$ -	\$ 774	\$ 774	\$ 2,897	\$ 2,167	\$ -	\$ -
Employer Benefits (1.05%)	\$ 78,425	\$ 7,760	\$ 7,133	\$ 5,217	\$ -	\$ -	\$ 16,461	\$ 9,403	\$ -	\$ -	\$ 1,739	\$ 1,739	\$ 6,495	\$ 4,869	\$ -	\$ -
Annual Leave Accrual (2.00%)	\$ 50,103	\$ 2,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>c. TRAVEL</b>	<b>60108</b>	<b>37,175</b>	<b>4,018</b>	<b>4,523</b>	<b>2,587</b>	<b>-</b>	<b>8,838</b>	<b>5,023</b>	<b>-</b>	<b>-</b>	<b>2,488</b>	<b>2,488</b>	<b>5,500</b>	<b>1,000</b>	<b>-</b>	<b>-</b>
Registration (Training)	\$ 8,785	\$ 515	\$ 1,273	\$ 1,562	\$ 500	\$ -	\$ 2,950	\$ 1,525	\$ -	\$ -	\$ 393	\$ 393	\$ 1,200	\$ -	\$ -	\$ -
Travel & Per Diem	\$ 60,200	\$ 16,140	\$ 1,900	\$ 1,750	\$ 700	\$ -	\$ 5,000	\$ 1,310	\$ -	\$ -	\$ 1,095	\$ 1,095	\$ 3,000	\$ 250	\$ -	\$ -
Mileage Costs	\$ 60,201	\$ 12,250	\$ 1,603	\$ 1,500	\$ 1,397	\$ -	\$ 1,889	\$ 2,111	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 750	\$ -	\$ -
<b>d. EQUIPMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Equipment Purchase	\$ 69000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>e. SUPPLIES</b>	<b>60100</b>	<b>21,800</b>	<b>2,000</b>	<b>4,728</b>	<b>1,400</b>	<b>-</b>	<b>6,783</b>	<b>4,591</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>300</b>	<b>-</b>	<b>-</b>
Office Supplies	\$ 60100	\$ 15,000	\$ -	\$ 2,926	\$ 1,400	\$ -	\$ 6,783	\$ 3,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ -	\$ -
Office Furniture & Equipment Lease	\$ 60109	\$ 1,800	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer Software & Equipment	\$ 60500	\$ 5,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -
<b>f. CONTRACTUAL</b>	<b>347,202</b>	<b>-</b>	<b>12,122</b>	<b>277,100</b>	<b>-</b>	<b>28,102</b>	<b>14,878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Professional Services/Retained	\$ 60205	\$ 282,100	\$ -	\$ -	\$ 277,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Services/General	\$ 60206	\$ 40,000	\$ -	\$ 8,900	\$ -	\$ -	\$ 20,500	\$ 10,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit	\$ 60504	\$ 15,102	\$ -	\$ 3,822	\$ -	\$ -	\$ 7,102	\$ 4,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>g. CONSTRUCTION</b>	<b>129,391</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Property Improvements	\$ 69001	\$ 129,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>h. OTHER</b>	<b>107,894</b>	<b>4,500</b>	<b>12,828</b>	<b>500</b>	<b>-</b>	<b>36,484</b>	<b>14,834</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Duplicating/Comp	\$ 60101	\$ 9,000	\$ -	\$ 1,656	\$ 500	\$ -	\$ 3,825	\$ 2,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage & Delivery	\$ 60102	\$ 1,500	\$ -	\$ 308	\$ -	\$ -	\$ 765	\$ 405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone & Telecom	\$ 60103	\$ 12,000	\$ -	\$ 2,640	\$ -	\$ -	\$ 6,120	\$ 3,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions & Dues	\$ 60104	\$ 10,000	\$ -	\$ 2,200	\$ -	\$ -	\$ 5,100	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meeting Costs	\$ 60105	\$ 4,000	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing	\$ 60106	\$ 3,950	\$ -	\$ 539	\$ -	\$ -	\$ 1,250	\$ 682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advertising	\$ 60107	\$ 1,700	\$ -	\$ 330	\$ -	\$ -	\$ 765	\$ 405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Events	\$ 60111	\$ 500	\$ 1,000	\$ -	\$ -	\$ -	\$ 255	\$ 135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Charges (WMC & Director's)	\$ 60112	\$ 4,177	\$ -	\$ 110	\$ -	\$ -	\$ 255	\$ 135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Insurance (WMC & Director's)	\$ 60603	\$ 4,177	\$ -	\$ 919	\$ -	\$ -	\$ 2,130	\$ 1,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical Insurance	\$ 60604	\$ 44,808	\$ -	\$ 1,100	\$ -	\$ -	\$ 254	\$ 134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical Insurance	\$ 60605	\$ 24,000	\$ -	\$ 4,000	\$ -	\$ -	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Expenses	\$ 60700	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rent	\$ 60701	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ 60702	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 60703	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 60704	\$ 2,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 60705	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuels Expense	\$ 60706	\$ 186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Acquisition	\$ 60707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSES</b>	<b>1,083,333</b>	<b>88,577</b>	<b>85,527</b>	<b>318,136</b>	<b>-</b>	<b>189,636</b>	<b>106,883</b>	<b>128,000</b>	<b>-</b>	<b>-</b>	<b>15,001</b>	<b>15,001</b>	<b>53,836</b>	<b>54,536</b>	<b>-</b>	<b>-</b>
NET REVENUES less EXPENSES	\$ 32,567	\$ 28,173	\$ 1,973	\$ (739)	\$ -	\$ (1,636)	\$ (733)	\$ -	\$ -	\$ -	\$ (1)	\$ (1)	\$ 64	\$ 464	\$ -	\$ -



**NWNMCOG FY 2021 DRAFT Budget**  
Board Review & Approval: 4/15/20

Fund Class: Fund/Program:		TOTAL ANNUAL BUDGET	General Fund		Federal Grants & Contracts				State Grants & Contracts			Local Grants & Contracts																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
			100	General & Member Svcs	501 USDOC/ EDA-PPG	513 EDA- ACC	502 USDOC/ EDA-RLF	601 New Mexico LSD-SGIA	602 New Mexico DOT- RTPD	627 LSD- Capital Outlay	821 McKinley: ESPC	843 McK: ZMTP McGaffey QA/QC	843 McK: ZMTP Quartz Hill QA/QC	852 McK/Milan: ACC	853 Cibola Comp Plan																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
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## EXPENSES

FUND CLASS: FUND/PROGRAM:		TOTAL ANNUAL BUDGET	GENERAL FUND		FEDERAL GRANTS & CONTRACTS				STATE GRANTS & CONTRACTS				LOCAL GRANTS & CONTRACTS				
			100 General Admin	501 EDA PPG	513 EDA: ACC	502 EDA RLF	601 NM LGD-SGIA	602 NM DOT-RTPO	627 LGD: Capital Outlay	821 McK: ESPC	843 McK-ZTMP- McGaffey QA/QC	843 McK-ZTMP- Quartz Hill QA/QC	852 McK/Milliam: ACC	853 Cibola Comp Plan:			
BUDGET LINE ITEM																	
a. PERSONNEL (Wages/Salaries)		50001	\$ 433,725	\$ 44,625	\$ 41,020	\$ 30,000	\$ -	\$ 94,660	\$ 54,070	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 37,350	\$ 28,000		
b. FRINGE BENEFITS			\$ 111,215	\$ 13,434	\$ 10,308	\$ 7,539	\$ -	\$ 23,768	\$ 13,588	\$ -	\$ -	\$ 2,513	\$ 2,513	\$ 9,386	\$ 7,036		
Employer Payroll Taxes (7.74%)		50002	\$ 33,570	\$ 3,454	\$ 3,175	\$ 2,322	\$ -	\$ 7,327	\$ 4,185	\$ -	\$ -	\$ 774	\$ 774	\$ 2,897	\$ 2,167		
Employer Benefits (17.03%)		50003	\$ 75,425	\$ 7,760	\$ 7,133	\$ 5,217	\$ -	\$ 16,461	\$ 9,403	\$ -	\$ -	\$ 1,739	\$ 1,739	\$ 6,495	\$ 4,869		
Annual Leave Accrual (2.00%)		50103	\$ 2,220	\$ 2,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
c. TRAVEL			\$ 37,175	\$ 4,018	\$ 4,523	\$ 2,597	\$ -	\$ 9,839	\$ 5,023	\$ -	\$ 2,488	\$ 2,488	\$ 5,200	\$ 1,000	\$ 1,000		
Registration (Training)		60108	\$ 8,785	\$ 515	\$ 1,273	\$ 500	\$ -	\$ 2,950	\$ 1,562	\$ -	\$ 393	\$ 393	\$ 1,200	\$ 1,200	\$ 1,200		
Travel & Per Diem		60200	\$ 16,140	\$ 1,900	\$ 1,750	\$ 700	\$ -	\$ 5,000	\$ 1,350	\$ -	\$ 1,095	\$ 1,095	\$ 3,000	\$ 250	\$ 250		
Mileage Costs		60201	\$ 12,250	\$ 1,603	\$ 1,500	\$ 1,397	\$ -	\$ 1,889	\$ 2,111	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 750	\$ 750		
d. EQUIPMENT			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Equipment Purchase		69000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
e. SUPPLIES			\$ 21,800	\$ 2,000	\$ 4,726	\$ 1,400	\$ -	\$ 6,783	\$ 4,591	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 300		
Office Supplies		60100	\$ 15,000	\$ -	\$ 2,926	\$ 1,400	\$ -	\$ 6,783	\$ 3,591	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ 300		
Office Furniture & Equipment Lease		60109	\$ 1,800	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Computer Software & Equipment		60500	\$ 5,000	\$ 2,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -		
f. CONTRACTUAL			\$ 347,202	\$ -	\$ 12,122	\$ 277,100	\$ -	\$ 28,102	\$ 14,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000		
Professional Services/Restricted		60405	\$ 292,100	\$ -	\$ -	\$ 277,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Professional Services/General		60406	\$ 40,000	\$ -	\$ 8,800	\$ -	\$ -	\$ 20,400	\$ 10,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000		
Audit		60504	\$ 15,102	\$ -	\$ 3,322	\$ -	\$ -	\$ 7,702	\$ 4,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
g. CONSTRUCTION			\$ 129,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,000	\$ -	\$ -	\$ -	\$ -	\$ -		
Property Improvements		69001	\$ 129,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,000	\$ -	\$ -	\$ -	\$ -	\$ -		
h. OTHER			\$ 107,934	\$ 4,500	\$ 12,828	\$ 500	\$ -	\$ 36,464	\$ 14,834	\$ -	\$ -	\$ -	\$ -	\$ 3,200	\$ -		
Duplicating/Copying		60101	\$ 9,000	\$ -	\$ 1,650	\$ 500	\$ -	\$ 3,825	\$ 2,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000		
Postage & Delivery		60102	\$ 1,500	\$ -	\$ 330	\$ -	\$ -	\$ 765	\$ 405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Telephone & Telecom		60103	\$ 12,000	\$ -	\$ 2,640	\$ -	\$ -	\$ 6,120	\$ 3,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Subscriptions & Dues		60104	\$ 10,000	\$ -	\$ 2,200	\$ -	\$ -	\$ 5,100	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Meeting Costs		60105	\$ 4,000	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -		
Printing		60106	\$ 3,950	\$ 1,700	\$ 539	\$ 217	\$ -	\$ 1,250	\$ 662	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -		
Advertising		60107	\$ 1,200	\$ -	\$ 330	\$ -	\$ -	\$ 765	\$ 405	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ -		
Special Events		60111	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Service Charges		60112	\$ 500	\$ -	\$ 110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Other Insurance (WMC & Director's)		60603	\$ 4,177	\$ -	\$ 919	\$ -	\$ -	\$ 2,130	\$ 1,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Miscellaneous Expense		60801	\$ 498	\$ -	\$ 110	\$ -	\$ -	\$ 254	\$ 134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
FACILITY EXPENSES			\$ 44,809	\$ -	\$ 4,000	\$ -	\$ -	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Rent		60404	\$ 24,000	\$ -	\$ -	\$ -	\$ -	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Insurance		60601	\$ 4,609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Utilities		60700	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Vehicle Expenses		60701	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Insurance		60602	\$ 15,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Maintenance		60703	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Fuels Expense		60704	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Vehicle Acquisition		60705	\$ 136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
TOTAL EXPENSES			\$ 1,083,333	\$ 68,577	\$ 85,527	\$ 319,136	\$ -	\$ 199,636	\$ 106,983	\$ 126,000	\$ -	\$ 15,001	\$ 15,001	\$ 53,936	\$ 54,536		
NET REVENUES less EXPENSES			\$ 32,567	\$ 28,173	\$ 1,973	\$ (736)	\$ -	\$ (1,636)	\$ (733)	\$ -	\$ -	\$ (1)	\$ (1)	\$ 64	\$ 464		



**NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS**  
**New Mexico Economic Development District I**

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## **Revolving Loan Fund Plan**

FOR THE

### **ENTERPRISE LOAN FUND OF NORTHWEST NEW MEXICO**

capitalized in part by

**The US Department of Commerce, Economic Development Administration**

and

**The State of New Mexico, Local Government Division,  
HUD Community Development Block Grant (CDBG) Program**

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approved on April 15, 2020

by

**The Board of Directors  
Northwest New Mexico Council of Governments**

**Billy W. Moore, Board Chairman  
Evan J. Williams, Executive Director/ELF Director**

## **ACKNOWLEDGEMENTS**

This *Revolving Loan Fund Plan* for the Northwest New Mexico Enterprise Loan Fund was revised during Fiscal Year 2020-21 with the consultation & assistance of Region 9 Economic Development District of Southwest Colorado, the Board of Directors of the Northwest New Mexico COG and staff of the Economic Development Administration, Austin Regional Office.

# **ENTERPRISE LOAN FUND OF NORTHWEST NEW MEXICO REVOLVING LOAN FUND PLAN**

*Revised April 15, 2020*

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## ENTERPRISE LOAN FUND OF NORTHWEST NEW MEXICO

### INTRODUCTION

The Enterprise Loan Fund (ELF) of Northwest New Mexico came into being in 1996 as a partnership of the City of Farmington, the Northwest New Mexico Council of Governments and small business assistance partners in the Four Corners region. It was co-capitalized by a \$300,000 grant from the *Revolving Loan Fund* program of the Economic Development Administration, US Department of Commerce, and a \$300,000 grant from the State of New Mexico under the *Community Development Block Grant (CDBG)* program funded by the US Department of Housing and Urban Development.

This document will address:

- The **need for this public financing tool** to complement other business assistance programs and services available to firms and/or would-be entrepreneurs in industry sectors and/or locations targeted by the Five-Year Comprehensive Economic Development Strategy for Northwest New Mexico, published Spring 2018,
- The **types of financing activities** employed,
- The capacity of the RLF's organization to make loans and to work effectively with the business community and other financing providers, to function as an integral part of the overall economic adjustment effort and to manage the lending function, and
- Other matters as required by the EDA's Revolving Loan Fund Guidelines.

The Northwest New Mexico Council of Governments (NWNMCOG) is the Economic Development District designated by the Economic Development Administration for the tri-county region encompassing the New Mexico Counties of Cibola, McKinley and San Juan. The District covers three counties, seven municipalities, and four tribal entities including the Navajo Nation and Pueblos of Acoma, Laguna, and Zuni. The District has been disempowered by long-term economic stagnation, as defined in the Economic Adjustment Program administered by the EDA, in accordance with all three of the relevant economic problem criteria: (a) very high unemployment; (b) low per capita income; and (c) chronic distress. Further, in recent years the collapse of coal and other natural resource markets, has caused massive economic disruption in our region, population loss, and tax base depletions. This sector was a key foundational element of the Northwest New Mexico economy that is not easily replaced even through proactive and aggressive diversification efforts.

The **mission** of the Northwest New Mexico ELF is to improve access to capital for businesses and individuals in support of business and job creation, retention and expansion throughout the tri-county region.

This *Revolving Loan Fund Plan* is organized and presented according to the guidelines of the Economic Development Administration.

## PART I.

### THE REVOLVING LOAN FUND STRATEGY

Among the more intractable problems in business development is the provision of capital for new business formation and early stage growth, and for local enterprises that fall short of meeting commercial lending criteria yet provide good job creation and job retention opportunities for the community. Conventional lenders are restricted, by regulation and by the for-profit nature of their business, from making loans to many new and growing enterprises that do not fulfill debt-to-equity requirements or other criteria, but which otherwise are deserving borrowers and desirable to the community.

The need for flexible financing techniques to address these capital gaps in northwest New Mexico was determined by interviews with lending institutions and the three Small Business Development Centers (SBDC's) in the region, through entrepreneurial outreach seminars and through public meetings in Farmington, Grants and Gallup.

The need for an infusion of capital and other supports for entrepreneurial development in the region was further highlighted by the Corporation for Enterprise Development (Washington, DC) in its July 1997 report *Building Enterprise: Development Strategies for the Northwest New Mexico CDC* (on file with the Economic Development Administration).

The revolving loan fund strategy underpinning the *Enterprise Loan Fund of Northwest New Mexico* was designed to respond to these needs. In Fiscal Year 2020, a revision process was implemented, involving review of Southwest Colorado's Region 9 RLF Plan, detailed feedback from the Revolving Loan Fund office of the Economic Development Administration, further refinement in April 2020 and review and approval by the Board of Directors of Northwest New Mexico Council of Governments on April 15, 2020.

#### A. ECONOMIC ADJUSTMENT OVERVIEW

Northwest New Mexico comprises 15,503 square miles of high arid plateau and mountainous terrain and contains an ethnically diverse and geographically diffuse population of about 220,000 residents, reflecting an average density of less than 13 persons per square mile. The region is made up of three rural counties (*Cibola, McKinley and San Juan*) and portions of four Indian reservations (*Acoma, Laguna, Navajo, and Zuni*). Much of the land outside the reservations is federal land (managed by the Bureau of Land Management or Forest Service) or State land. The principal municipalities are: Farmington (pop. ~45,000) in San Juan County; Gallup (pop. ~22,000) in McKinley County; and Grants (pop. ~9,000) in Cibola County.

Many of the District's economic problems are not unfamiliar to rural America but are uniquely exacerbated by great distances, arid conditions, low population density, and cultural and institutional factors that present unique challenges to implementing economic recovery and development efforts in the region.



## 1. The Economic Adjustment Problem

Prior to the 1950's, the District's economy was predominantly agricultural, much of it at subsistence levels, except for the modest impact of travel along U.S. Route 66 through the southern portion of the District. The exploitation of oil, gas, coal and uranium resources beginning in the 1950's introduced a new dynamic to the regional economy: rapid growth with jobs that paid well and required skills often not available in the local population, spurring in-migration, followed by severe job loss and out-migration during the down cycles in these industries. The communities of the District show evidence of these unmanageable development cycles in the substandard housing stock, inadequate infrastructure and lack of coordinated planning that are the legacy of their economic history.

Boom times, when employment from energy and natural resources was at its peak, were not sufficient to offset (a) the "bust" periods experienced by the mining industry and (b) chronic underdevelopment and underemployment in the District in general. High unemployment and low incomes characterize the rural and small-town populations throughout the three-county region: the District-wide unemployment rate has averaged levels half-again greater than the nation, while per capita incomes have been less than three-fifths of the national average. This current bust cycle seems unlike those in the past as international and national markets and policy moving toward renewable energy sources – it is unlikely to see a boom again.

Poverty numbers are high throughout the region, ranging county-to-county between 23% and 32% and having one designated opportunity zone at 49.8%. Each of the region's three counties has consistently ranked in the lowest 20% of the State's counties on indicators of employment and household income. Recent figures from the New Mexico Department of Labor reports that the region's unemployment rate are double that of the US average. Thematic maps from US Census 2010 show significant areas in the District where unemployment rates range from 14% to 100%. Unemployment in such rural areas includes the following ranges by county (the extremes occurring predominantly on Native American lands):

- For San Juan County, a range in rates from 18% to 35%, encompassing approximately two-thirds of the county area;
- For McKinley County, a rate range from 26% to 100%, involving about one-half of the county area involved; and
- For Cibola County, rates ranging from 14% to 60%, involving about one-third of the county area.

In the Appendix section is a copy of our region's "Social & Economic Context Report" provided and created from information available on StatsAmerica (<http://www.statsamerica.org/>). The exhibit on the next page is the Distress Report from StatsAmerica.

## Distress Criteria Statistical Report

Reference Date: 01 / 2020 (All data elements refer to this date or earlier.)  
Region Consists of: Cibola Co. NM, McKinley Co. NM, San Juan Co. NM  
Report Date: 3/27/2020 1 20 08 PM

### Economic Distress Criteria—Primary Elements

	Region	U.S.	Threshold Calculations
24-month Average Unemployment Rate (BLS) period ending January 2020	6.16	3.76	2.4
2018 Per Capita Money Income (5-year ACS)	\$20,108	\$32,621	61.64%
2018 Per Capita Personal Income (BEA)	\$32,101	\$54,446	58.96%

### Economic Distress Criteria—Geographic Components

	24 Month Unemp	Threshold Calculation	BEA PCPI	Threshold Calculation	Census PCMI (2000)	Threshold Calculation	ACS 5-Year PCMI	Threshold Calculation
Cibola County, NM	6.31	2.55	\$28,130	51.7	\$11,731	54.3	\$18,514	56.8
McKinley County, NM	7.10	3.34	\$27,771	51	\$9,872	45.7	\$15,278	46.8
San Juan County, NM	5.71	1.95	\$35,453	65.1	\$14,282	66.2	\$23,206	71.1

Sources: U.S. Bureau of Census, Labor Statistics, and Economic Analysis. Calculations generated by StatsAmerica.

Other long-term problems faced by the District include:

- lack of accessible investment capital;
- loss of better paying jobs resulting from down cycles in basic economic activities;
- economic disparity and excessive dependence on government;
- socioeconomic isolation resulting from the great distances between communities within the District and remoteness from major markets;
- cultural and jurisdictional obstacles to economic planning and development resulting from the mix of cultures, multiple sovereign boundaries and diverse governmental jurisdictions;
- inadequate water supply, especially in southern portions of the District, and inadequate community infrastructure throughout the Indian reservations;
- inadequate transportation linkages from some portions of the region to major markets;
- inadequate last-mile telecommunications infrastructure; and
- lack of affordable, quality housing.

## 2. The CEDS Planning Process

*La Ristra Northwest* or our *Comprehensive Economic Development Strategy* (CEDS) evolved from a number of planning processes undertaken by the Northwest New Mexico COG and its members over the past several years, involving core partnerships, existing collaborations, and collection of primary and secondary data from multiple sources and its utilization as a basis for an intensive analytic and strategic planning process.

Core Partnerships involving collaborative work with the region's economic development organizations: Cibola Communities Economic Development Foundation; Greater Gallup Economic Development Corporation; and Four Corners Economic Development. COG also worked with and involved all regional and tribal economic development organizations and business associations.

Existing collaborations and meetings included Comprehensive Plans, the New Mexico Jobs Council, our region's USDA "Strengthening Economies Together" (SET) collaboration and our POWER/Assistance to Coal Communities planning process.

Primary data were derived from public involvement processes, public information meetings, information provided by counties, municipalities and tribes, online sources (such as StatsAmerica) and from the expertise and involvement of individuals and groups involved in core partnerships and existing collaborations.

Secondary data sources included census data, GIS and other maps, agency publications, Northwest New Mexico Factbook 2012, archival reports in the District library, websites related to economic development, and local, regional and statewide planning documents, such as (but not limited to):

- ***New Mexico 5-Year Economic Development Plan*** – involving preparation of the State's strategy for the 2013-2018 timeframe, in collaboration with the seven COG districts and many public and private sector partners across the State.
- ***Northern Area Local Workforce Development Board—Strategic Plan***
- ***Trail of the Ancients SET Plan (USDA's "Stronger Economies Together" initiative)*** – referring to the "high quality plan" for rural development in the Northwest New Mexico region, as developed in partnership with the New Mexico office of USDA-Rural Development and the Cooperative Extension Service at New Mexico State University. The planning process was undertaken in parallel with the COG District's work on the EDA-supported "Comprehensive Economic Development Strategy" (CEDS), and was to be considered a primary reference for investment and development in the region's rural communities. It involved a year-and-a half of training seminars conducted by NMSU-Extension with sub-regional cohorts of rural stakeholders, culminating in preparation of the "high quality plan" recently approved by USDA-Rural Development, thus qualifying the region for priority consideration in tapping USDA resources.
- ***New Mexico Interim Jobs Council*** – involving three years of planning and policy work commissioned by the New Mexico State Legislature, staffed by Lautman Economic Architecture and assisted by the State's 7 COG districts. Within this Jobs Council framework, analyses for the Northwest New Mexico region showed a need for over 11,000 jobs over 10 years (or 1,100 jobs per year), which represented a job creation "deficit" of over 4,000 jobs 400 per year) based on an estimated regional capacity to create only 6,800 jobs (680 per year). Factor-of-Production gaps were most pronounced in Qualified Workforce, Infrastructure (especially broadband and data storage), Marketing & Lead Generation, Transportation, and Capital.

- ***POWER (Partnerships & Opportunities in Workforce & Economic Revitalization) Report*** – an assessment of the region’s coal-reliant economy along with strategic recommendations, and to facilitate the implementation and financing of promising strategies to diversify economic activity, productivity and employment throughout the region. This study was completed by Highland Economics LLC and published in February 2017, and its findings are being actively worked on for implementation.
- ***Navajo Nation Comprehensive Economic Development Strategy (2018)***
- ***Northwest Regional Transportation Plan (2018)***
- ***Regional Water Plans*** for State Water Planning Regions 2 (San Juan Basin) and 6 (Northwest New Mexico, including McKinley and Cibola Counties), adopted by the New Mexico Interstate Stream Commission in 2016 and 2017 respectively.

These plans have drawn on a broad spectrum of community resources and support in addition to the Council of Government’s membership, including citizen’s groups, nonprofit economic development and community service providers, and volunteers from the business and finance sectors in all three counties.

### **3. Area Resources, Assets and Opportunities**

“High Plateau Vision-21” Forums were conducted in each of the three counties, involving over 150 local stakeholders and producing rich input. Here is a summary of the region’s strengths:

- **LOCATION** – The region is a unique crossroads of cultures, abundant natural resources, geotourism assets and transcontinental transportation systems – major locational assets at the foundation of the regional economy, but needing new and diversified strategies to take advantage of them in the 21st century. The region is known for its unique high-desert environment, featuring vast open spaces punctuated by remarkable buttes, mesas and red-rock cliffs and hosting world-class fly fishing, mountain biking and other recreational spaces.
- **PEOPLE** – The region hosts a quarter million people from diverse indigenous and immigrant backgrounds, with unique cultural assets and skill sets, and a history of coexistence and progress across a complex web of political and legal jurisdictions – a rich asset that can be uplifted through collaboration and a commitment to human resource development.
- **ENERGY INDUSTRY**– The region has a robust economic heritage in energy-related industries in service to national and global energy demands, including coal, uranium, natural gas, oil, and power-generation – a legacy that faces new challenges and opportunities under modern regulatory, environmental and market conditions, creating new motivation for industrial adaptation and diversification.
- **CREATIVE INDUSTRY** – Northwest New Mexico serves as a regional epicenter for wholesale and retail trade in world-class indigenous arts and crafts, featuring the work of Navajo, Zuni artisans and other artisans; there is also an upswell of broader interest

in and commitment to arts and culture, as shown in new initiatives in downtown revitalization.

- **HIGHER EDUCATION** – Each county in the region hosts strong post-secondary institutions, uniquely tailored and responsive to the region’s population and gearing up to meet the demands of the emerging 21st century workforce. These institutions serve more Native American students than any other region in the country.
- **LEADERSHIP** – The region’s governmental and civic leaders represent uniquely tested governing and professional skills, now being increasingly committed to socioeconomic innovation through downtown revitalization and economic development organizations operating in each county.

Notwithstanding the presence of extractive industry in the region, using combined figures of work across the region for both men and women, the top three employing industries in northwestern New Mexico are local health services (12,069), retail (7,499) and government (6,928) followed by education/training; real estate, construction and development; motor vehicle products and services, and oil and gas production and transportation.

Specific opportunities for business development and factors conducive to economic development in District 1 have been identified through rigorous analysis of economic information and trends, and through public participation planning processes:

- **ENERGY, LOGISTICS & MANUFACTURING** – The region’s economic development organizations are tapping new opportunities for leveraging economic growth through linking energy-related industry in the San Juan Basin and other sites in the region with major east-west transcontinental corridors featuring Interstate-40 and the Burlington Northern-Santa Fe Railroad. This movement, supported by significant private and public investment, is creating new economic capacity in the region’s Energy, Logistics & Manufacturing cluster.
- **INTERGOVERNMENTAL COLLABORATION** – Given both the historical inter-cultural and interjurisdictional challenges characterizing the region’s history and the hard-earned experience of leaders and planners in addressing those challenges, there are new opportunities, building on recent successes (e.g., in the “water commons,” featuring the \$1 billion, federally-authorized Navajo-Gallup Water Supply Project), for overcoming historical fragmentation between jurisdictions and embarking on projects of mutual benefit to tribal and non-tribal communities.
- **TECHNOLOGY & INNOVATION** – There is increasing conversation, and some movement, around opportunities in the region for applying and commercializing new technologies, not only for export to market, but more compellingly, to meet the unique public and private needs of the regional community itself, including alternative energy solutions for a predominantly rural population.
- **TOURISM** – Based on the region’s considerable cultural, archaeological, recreational and geographical assets, but in light of changing trends in global tourism, there is opportunity to reinvent and reinvigorate regional tourism, including capitalizing on



recent designation by National Geographic Magazine of the 4 Corners Geotourism Mapping region and its world-class geotourism assets.

- **AGRICULTURE** – Productive agriculture constitutes a small proportion of the region’s cash economy, but there is an upsurge of interest and activity in restoring community agriculture and its role in developing and managing local and regional food systems and providing new pathways to livelihood for rural families and entrepreneurs.
- **DOWNTOWNS** – Lying at the heart of our villages and towns, our downtowns represent an important venue for economic revitalization, and there is a strong and growing interest and investment in downtown redevelopment, including in the country’s first Native American MainStreet community, the Pueblo of Zuni.
- **INFRASTRUCTURE** – Despite the current gaps between needs and resources, there has been significant investment in regional infrastructure in recent years, notably the \$1 billion Navajo-Gallup Water Supply Project ensuring sustainable water supply for Gallup and over 40 rural Navajo communities, and the upgrading of the north-south US 491 corridor with 4-laning and other major infrastructure capacity.

The institutional resources available and operating within the District that are key to capitalizing on these opportunities include:

- **Regional organization**, including cooperative structures and processes facilitated by the Northwest New Mexico Council of Governments.
- **Postsecondary education**. Several strong institutions—San Juan College, University of New Mexico-Gallup Branch, New Mexico State University-Grants Branch, Navajo Technical University, and Diné College-Shiprock Campus—provide a wide range of 2-year and some 4-year degree programs, and have capacity to deliver customized employee training for business and industry.
- **Economic Development Organizations**. Economic development entities operate in each county: the Four Corners Economic Development, Inc. (4CED); the Greater Gallup Economic Development Corporation (GGEDC); and the Cibola Communities Economic Development Foundation (CCEDF).
- **State government**. The State’s Economic Development Department, Department of Transportation and the Department of Finance and Administration administer programs to assist local governments with economic development, housing and transportation planning.
- **SBDC’s**. Small Business Development Centers operate in each of the three counties, attached to local postsecondary institutions. The New Mexico Small Business Development Center is included as a strategic partner in providing technical support services to the *Enterprise Loan Fund*.
- **Manufacturing industry development**. A Manufacturing Extension Partnership (MEP) Agent is headquartered in Farmington’s Enterprise Center on the campus of San Juan College.

- **Navajo Nation Business Development Offices.** Regional Business Development Offices of the Navajo Nation are located in Shiprock (in San Juan County) and Churchrock (in McKinley County).
- **Financial institutions.** A number of private lenders have committed to cooperating in the Revolving Loan Fund program including Acción, WESST Corp., and the New Mexico Community Development Loan Fund.
- **Citizen participation.** Beneficial public participation in economic development concerns is expressed through Chambers of Commerce, civic groups and interested citizens who participate in planning workshops and processes.
- **Trail of the Ancients-NM Byway.** Established in 2002, this State designation as a scenic byway provides for regional cooperation in tourism development.

#### 4. **Strategic Vision, Goals, and Strategy**

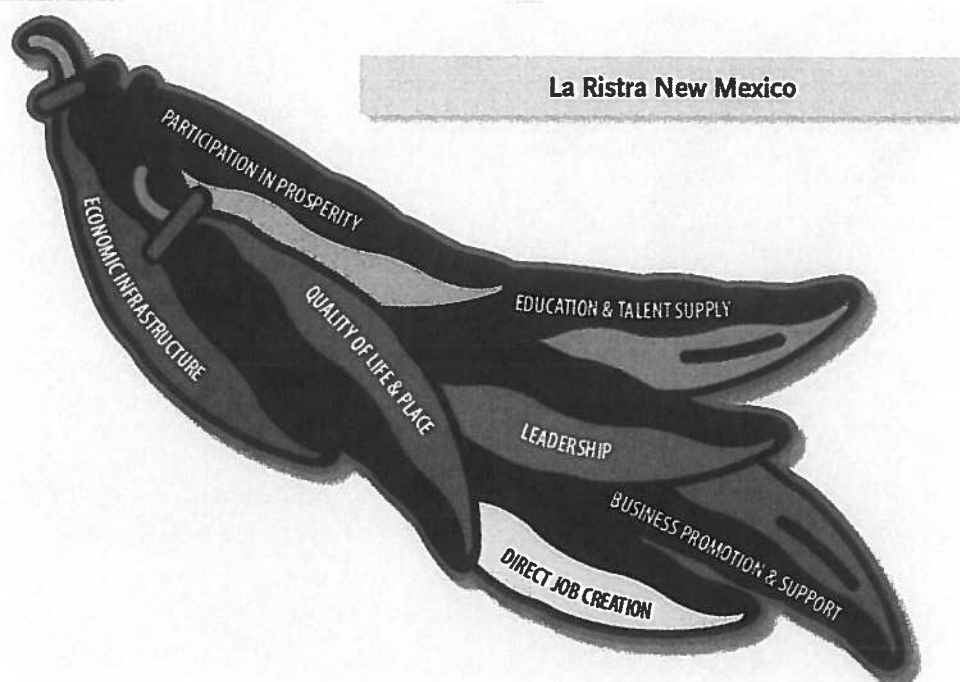
The strategic visions as described in the *Comprehensive Economic Development Strategy* (on file at the Economic Development Administration) outline broad goals to be pursued in a 5-year timeframe. Three over-arching themes serve as organizing categories for the elements of the vision: People, Community and Jobs & Enterprise.

*People: Growing Individual & Household Prosperity*

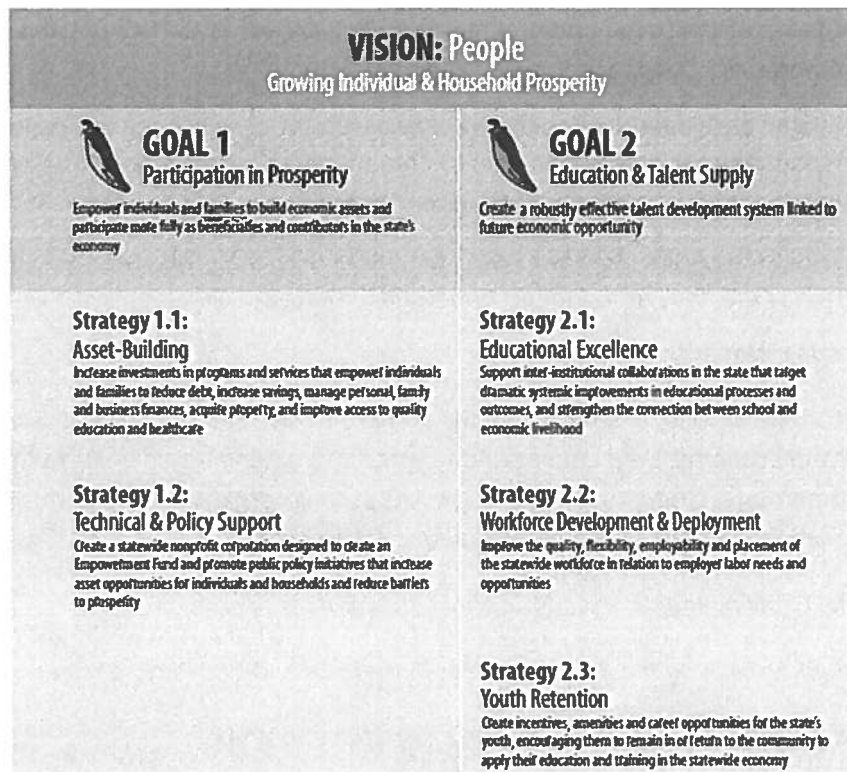
*Community: Making the Region a Great Place to Live, Work, Play, & Stay*

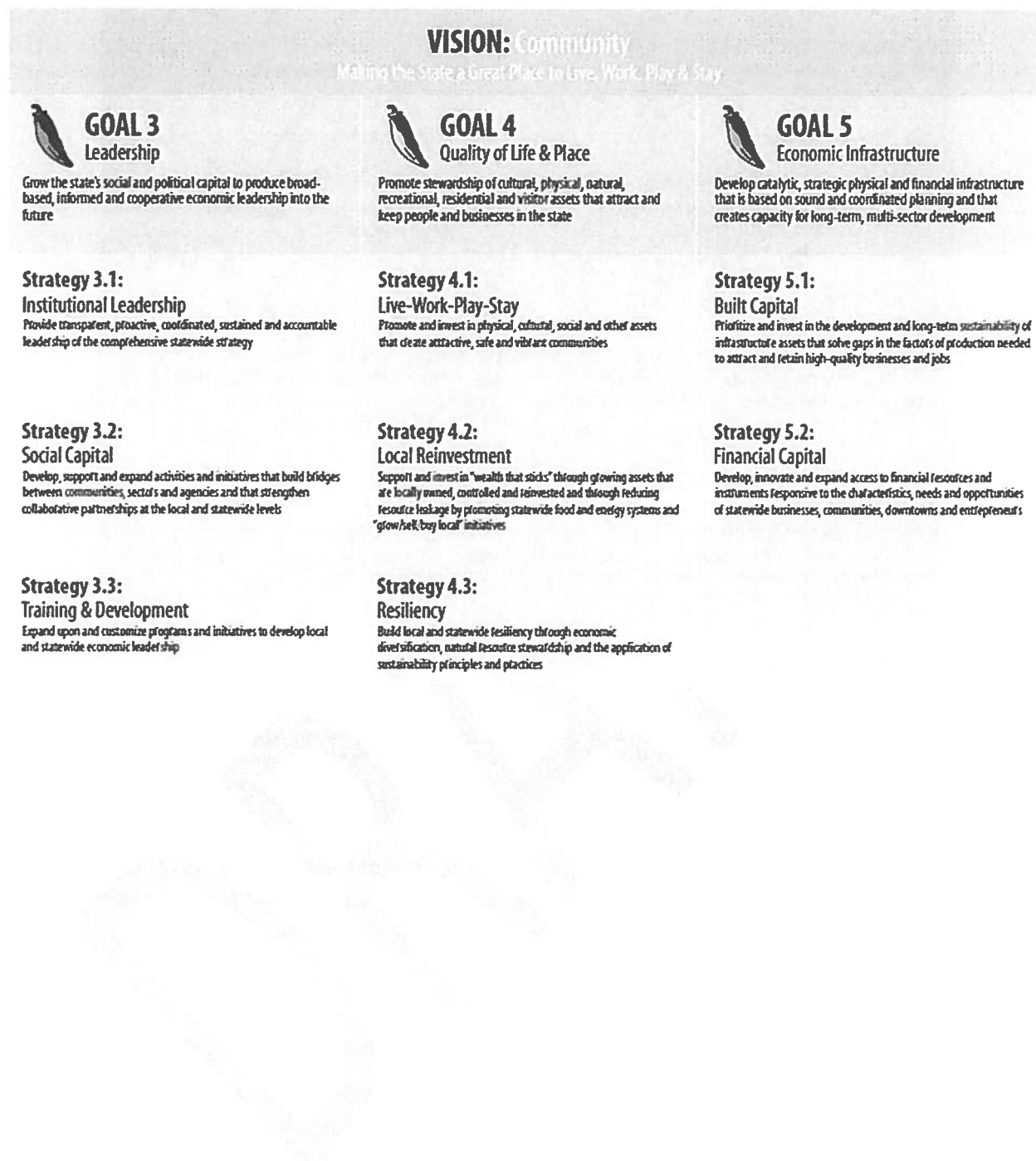
*Jobs & Enterprise.: Putting the Region's Workforce to Work*



The key focus areas under these three strategic visions are the seven chilies that together will move the needle in New Mexico. These are aligned in the Statewide CEDS plan.



Each of these vision areas are elaborated into a set of strategic paths and goals, which are summarized here below.





<b>VISION: Jobs &amp; Enterprise</b> Putting the State's Workforce to Work	
 <b>GOAL 6</b> <b>Business Promotion &amp; Support</b> Establish an attractive environment for business and robustly support new and sustained business in the state	 <b>GOAL 7</b> <b>Direct Job Creation</b> Target growth in businesses and industrial clusters to produce new jobs for the state's workforce
<b>Strategy 6.1:</b> <b>Business Climate, Policy &amp; Competitiveness</b> Promote the design and shaping of a local and statewide regulatory environment that proactively supports the attraction, start-up and growth of enterprise in the state	<b>Strategy 7.1:</b> <b>Economic-Base Recruitment</b> Invest in activities that resolve factor-of-production gaps and target the creation of jobs in economic-base industrial sectors and clusters with the greatest potential to grow in the state
<b>Strategy 6.2:</b> <b>Business Retention &amp; Expansion</b> Invest in programs and services that retain and create jobs through working directly with locally-owned businesses to solve problems, access capital, provide coaching and technical support, and generally increase business success	<b>Strategy 7.2:</b> <b>Labor-Driven Employment</b> Identify and create employment opportunities that tap the skill sets of the existing statewide workforce
<b>Strategy 6.3:</b> <b>Innovation, Entrepreneurship &amp; Startup</b> Invest in programs and services that foster and support new entrepreneurship, with particular attention to moving the state into the global "innovation economy" through developing, commercializing and adapting new technologies responsive to both the global marketplace and the unique needs and challenges of the region's population	<b>Strategy 7.3:</b> <b>Solo/Location-Neutral Work</b> Identify and capitalize on opportunities to support, attract and retain independent, self-employed workers

The goals and strategies that really speak to the need of the Northwest NM Enterprise Loan Fund are in Goal 1: Participation in Prosperity and Strategy 1.1: Asset Building and 1.2: Technical & Policy Support as well as 6.3: Innovation, Entrepreneurship, & Start-up.

## 5. Implementation Programs and Activities

The evaluation framework for *La Ristra Northwest* is embedded in the strategy.

For each of the 7 "chiles", or strategic goal areas, there is a summary plan that lays out objectives, tactics, stakeholders and metrics. All of these details are amenable to updating, modifying and replacing over time, but lend themselves to measurement and monitoring along the way. Achievement of goals and objectives within this framework can be tracked as milestones are reached, captured as "outputs" from the system of tactics and activities undertaken by the region's stakeholders.

For the Northwest New Mexico economy as a whole, we have identified a number of key metrics that are updated in the *Innovation 2.0* program in StatsAmerica, independently of local data development by the COG District or its partners. Baseline data for our region are summarized above in the Background section. These measures lend themselves to tracking and monitoring over time, in comparison with the region's own past measures, as well as



with the statistics showing up by county, by region across the state, and by district across the country.

These metrics may be considered “synergistic,” as changes in their profiles result from a combination of factors, only some of which are under the control of stakeholders within the region. For example, positive change in educational attainment measures may result from asset-building programs in support of families, from curricular breakthroughs in the schools, and/or from increased employment opportunities for breadwinners across the region. Positive change in the number of persons employed in high-tech jobs may result from the interplay of several concurrent initiatives, such as incubator support for new entrepreneurship, new housing for all levels in the residential market, targeted industrial recruitment and/or a newly funded program at the local community college.

Reference to the Innovation 2.0 measures can provide comparative information for local planners and leaders, on which to assess the health and progress of the local and regional economy.

The *La Ristra* strategy as currently summarized here needs to be further operationalized through collaborative assignment of specific roles and responsibilities, prioritization of work to be undertaken and establishment of accountability timelines for implementation of actions in service to the over-arching strategies.

As the region’s federally-designated Economic Development District, the Northwest New Mexico Council of Governments, will serve as overall facilitator and coordinator of the *La Ristra* Strategy, with work to be accomplished and tracked via numerous partnerships – existing and new – throughout the region.

6. **Organizational Structure/Responsibility.** The Northwest New Mexico Council of Governments serves as proactive coordinator of the CEDS, with components and projects within the CEDS being led and administered by partners in the region’s CEDS network.
7. **How RLF will be used to support specific economic adjustment problems?** The RLF will support the previously mentioned economic development strategy by providing an additional source of funding for qualifying businesses that diversify and strengthen their community economies. The RLF will supplement private or traditional funding sources by providing gap financing, with extra consideration given for start-up businesses.

The Enterprise Loan Fund will prioritize those business that are specific diversification targets highlighted in the CEDS as well as the POWER report, such as dimension stone, medical manufacturing, tourism businesses, tour companies, wood products, and value-added agriculture.

The Enterprise Loan Fund will also try to support workers, who have been displaced due to coal and other natural resource business closures, want to remain in the area, and are interested in starting a business.

## **B. THE BUSINESS DEVELOPMENT STRATEGY**

The *Comprehensive Economic Development Strategy* combines grassroots vision and goal-setting with the resources and capabilities for implementation existing in community and nonprofit organizations and in local, state and federal governmental entities. The objectives of the business development strategy are manifold, with the shared ultimate goal of improving employment and entrepreneurial opportunity for District residents. Based on the CEDS planning process, the EDA-RLF will prioritize the type of investments that will be the most effective in attaining the objectives outlined in the CEDS. These priorities are:

- Businesses engaged in direct based economic activity, industries that produce exports or services income directly from outside sources,
- Businesses that help diversify and compete minimally in the local economy,
- Businesses that are under 10 employees,
- Products and/or services feasible in a rural region and compatible with existing community assets and businesses, e.g. producing outdoor recreational equipment,
- Business that will be creating start-up or expansion jobs in our most distressed areas of our counties and in Opportunity Zones, and
- And businesses that will be paying above county average wages.

Business Needs: COG partners with local banks; the Small Business Development Centers (SBDC); San Juan College's Enterprise Center, and the local and tribal economic development organizations to identify the needs of small businesses/entrepreneurs and coordinate resources to assist with those needs. We find the greatest needs of our business to be accessing capital. The Enterprise Loan Fund helps businesses access capital by working with the local banks to provide gap financing, and due to lending limitations we receive many bank referrals for start-up businesses. There is a letter required with each application for a turn down or gap need from a bank.

Moreover, the ELF is an integral part of the strategy to address capital shortfalls in the District. NWNMCOG will seek to both expand its funding through private and public sources, and to improve its leverage through partnering with additional lending entities.

Bank referrals are a proven and effective marketing strategy. Lenders appreciate the ability of the ELF to take a secondary position in projects and enterprise capitalization.

The ELF's marketing strategy is to work in partnership with the District's SBDC's in Farmington, Gallup and Grants. Each of the SBDC's currently assists clients in the preparation and presentation of loan packages, including basic consultation in business plan preparation, and each has expressed a desire to take advantage of the opportunity offered by the ELF. The SBDC's have developed good working relationships with the commercial lenders in the region and are positioned to assist the ELF with marketing, technical assistance and small business support services to mutual clients.

The ELF will expand access to capital through implementation of the following loan funds, which are sub-funds of the ELF program:

- **Small Business Loan Fund (SBLF)**. The SBLF component will make loans to new and growing businesses through “gap” or “bridge” financing. The intent of the SBLF is to fill the gap in a financing project, partnering with a bank or other lending institution. Under the SBLF, loans range from \$5,000 to \$75,000.
- **Microenterprise Loan Fund (MLF)**. The MLF will provide a financing alternative for microentrepreneurs seeking an infusion of capital, but who lack sufficient traditional collateral to qualify for participation at the higher levels of financing available under the SBLF. This fund specializes in start-up businesses. MLF loans range from \$1,000 to \$10,000.
- **Artisan Loan Fund (ALF)**. The Artisan Loan Fund was created to meet the specific and unique needs of business owners in an Artisan industry. ALF loans, basically a targeted and even lower-end product than the MLF, range from \$250 to \$2,500. Lending criteria is weighed toward character lending.

Incubation projects and accelerator services are emerging as an effective source for identification of start-up enterprises. Growth for the ELF is expected to come from microlending activities to Native American artisans in the Region.

Public information regarding the program is disseminated through news releases, grant and project announcements, and brochures placed with the SBDC's, banks and local governments. The ELF staff, as well as staff of the region's Small Business Development Centers, will take advantage of opportunities to discuss the ELF in appearances at local civic clubs and community associations, and at business opportunity days and in business classrooms at educational institutions in the District.

## **C. THE FINANCING STRATEGY**

The central goal of economic development activities in northwest New Mexico is to build the economy by encouraging growth from within. Goals specific to the RLF program include:

- Creating and retaining jobs for low- and moderate-income persons
- Meeting urgent needs to capitalize business start-ups and expansion
- Creating and retaining businesses owned by Native Americans and all other residents of the region
- Providing technical assistance to promote these activities

The RLF will address these goals by providing technical assistance, gap financing and subordinated debt in partnership with commercial lenders to assist in making projects bankable, and by making direct loans utilizing the ELF's SBLF, MLF, and ALF loan products to serve the needs of qualified borrowers, subject to maintaining overall program leverage requirements. This RLF will therefore take riskier positions than commercial banks are able to assume, but will also work more closely with borrowers to provide training and services that are essential to the orderly conduct of business.

Strategically, the entire EDA-RLF targets businesses primarily exporting a value-added product and importing revenue from outside the region, and businesses that compete minimally in the local economy, ideally filling a niche not currently being served. The EDA-RLF will also target agriculture related business and start-up businesses. In terms of structuring each individual loan, a primary strategy is to work in cooperation with banks to meet the customers overall credit need. However, the EDA-RLF will consider assistance to any type of business when jobs are being created or retained, especially when a bank asks for assistance to help finance a business or refers a business that does not quite meet bank lending guidelines.

Another strategy is to require the applicant to work with the SBDC to ensure their business planning and preparation is adequate. SBDC Advisors will meet with businesses/entrepreneurs to provide custom counseling which include business plan assistance; financial counseling; procurement assistance; business valuation; and many other services.

### **1. Financing Needs and Opportunities**

Continuing consolidation of the savings and loan industry and post Great Recession regulation has made commercial lending more risk averse, especially for new and growing small businesses. Local capital markets for business development are characterized by conservative lending policies, high commercial loan rates, shortened terms, and reluctance to participate in ventures involving above-average risks.

Equity injection, loan-to-value ratios and collateral quality play an important role in financing business expansion. Lenders typically require from 30% to 75% equity to finance existing businesses, depending on the bank and the specifics of the loan proposal. Start-up and new venture financing is extremely difficult to secure. Generally, the local banks evaluate loan

proposals based on familiarity with the business, the principals involved, the ability to repay, and the type of collateral. Small businesses are typically undercapitalized, since the owner has been restricted in financing capabilities and has already injected any available liquid capital into the business and pledged any available personal assets. Therefore, they are often unable to obtain financing necessary for growth or just to stabilize operations, even when prospects for growth are good and the ability to repay is demonstrable. Even in the high-tech "Rio Grande corridor," venture capital is difficult to obtain. In the rural areas of New Mexico it is almost non-existent.

Equipment and inventory financing is also very difficult for the small entrepreneur. Financing applications commonly have a very low loan-to-value ratio in the eyes of lenders and may require up to 90% equity from the business, or the pledge of additional collateral, to facilitate a loan. Leasing is an option but can be prohibitively expensive. Working capital is the most difficult problem, due to the lack of collateral value.

Small Business Administration loans are available in the area; however, even though equity requirements are reasonable, other credit and technical requirements remain difficult to achieve for many prospective borrowers.

As verified in CFED's *Building Enterprise* report, for most of the region's indigenous and low-income population, education and experience in business management, production and marketing are lacking and needed, where cultural and historical trends have encouraged family-oriented resourcefulness, and independence, but have not provided sufficient opportunities to engage and learn from the mainstream economy.

## **2. Local Capital Market**

While several nonprofit corporations in the region have been successful at expanding access to capital for higher-risk entrepreneurs, there is still a significant gap in the availability of loan resources for such small businesses. As bank lending requirements have continued to tighten, there has been a proliferation of small loan, subprime lenders in the region, some of which have been described as "predatory" by local and state officials. This phenomenon suggests, not only an unmet need for short-term cash by a wide pool of consumers, but also a need by small business owners for liquid resources to keep their small enterprises afloat.

The availability of private commercial financing from area banks has improved in recent years. Coming out of the "Great Recession", there are more conservative loan to value policies on real estate and financing working capital is difficult as private lenders do not see enough collateral in the accounts receivable and inventory (hence the need for "gap" financing). There are two other publicly funded lenders in the region, DreamSpring (formerly ACCION) which has much higher interest rates and restrictions and the New Mexico Community Loan Fund, which provides internal gap financing and covers a larger geographic area than our region. Some infrastructure needs, such as telecommunications, are difficult for the private sector to secure because of the specialized nature and location of the equipment as well as the complex technology and market. The Enterprise Loan Fund as a public lender can tolerate more risk and help fill the gap to finance infrastructure



improvements needed to achieve the community's objectives. Lastly, local banks are not lending to startup businesses.

**3. The RLF Financing Niche**

The ELF is designed to provide alternative financing to bridge the gap between lender requirements and the capabilities of otherwise qualified and deserving businesses. ELF resources will be used to supplement, not duplicate or compete with, private lending and equity sources, by working with both borrowers and primary lenders to develop loan packages which meet the loan underwriting guidelines of the local bank and also meet the needs of the small business person.

Flexible lending techniques to accomplish this purpose may include subordinating the ELF's position in collateral assets to the primary lending institution, below market interest rates, lengthened loan amortization schedules, initial deferment or reduction of interest and/or principal payments, loan guarantees, and assistance in business planning and management/employee training that commercial lenders are not able to provide. Participating lenders will also be asked to negotiate interest rates which reflect the reduced risk factors for them provided by ELF involvement.

The ELF will focus target subordinated loans in two categories: 1) asset collateralized financing to enhance the overall strength of the borrower's loan package and 2) operating/working capital loans to help small businesses that have reasonably strong expectations of long-term success.

With the relatively small amount of funds available to the ELF, its goal will be to leverage these funds to the maximum amount practicable, by providing subordinated debt to facilitate the approval of larger loan packages. The majority of funding in most cases will be obtained from other sources.

The ELF will also be used to make MLF and ALF loans of under \$10,000 and \$2,500, respectively, to qualifying ventures. Small loans are unprofitable for commercial lenders and are therefore limited in availability. Leveraging such loans will be a challenge for the ELF. Nonetheless, this is an important need to address, and the ELF will work with local lenders to identify practical strategies. If un-leveraged loans are made by the ELF in this category, their total will be balanced against the entire portfolio to maintain an overall favorable leverage ratio of at least 2:1 (Other funds: ELF funds).

**4. The Impact of RLF Financing (per EDA investment guidelines)**

- a. **Market Based.** The region has unique assets and strengths, ranging from the rich array of natural, scenic, and cultural resources to a capable and available labor force. The ELF will seek to capitalize on these assets and strengths by making investments in new

and existing businesses that are tourism related, support Native American arts and crafts, and expand light manufacturing.

- b. **Proactive Financing Strategy.** The ELF financing strategy will be proactive by seeking investments in innovative business enterprises that can lead to increased productivity and raise the region's standards of living. Through its marketing efforts, the ELF staff will pursue investments in technology industries, the innovative housing industry, healthcare services education and training, and renewable energy enterprises.
- c. **Anticipatory Planning for Diversification.** The ELF is an important part of the COG's long term Comprehensive Economic Development Strategy (CEDS) for the region. The Enterprise Loan Fund will prioritize those business that are specific diversification targets highlighted in the CEDS as well as the POWER report, such as dimension stone, medical manufacturing, tourism businesses, tour companies, wood products, and value-added agriculture.
- d. **Strategic Attraction of Private Sector Investment.** The ELF will serve as a unique public sector source of capital to help attract private sector investment. In the Northwest New Mexico region, venture capital is extremely difficult to secure. Since the ELF is designed to provide alternative financing and will accept risks that traditional lenders are unable to assume, ELF financing of projects will minimize the risks perceived by the private sector and thereby maximize the attraction of higher levels of private capital investment.
- e. **Probability of Success.** The ELF has been successful and will see greater success in the future due to three primary factors:
  - (1) **High level of matching funds.** The ELF was initially capitalized by a USDA grant of \$300,000 and matching funds of \$300,000 pursuant to a Community Development Block Grant from the State of New Mexico. The COG will continue to seek local, private matching funds to increase the ELF loan capital.
  - (2) **Strong commitment of elected officials.** The ELF was created by and has the ongoing support of the COG. Virtually every individual who represents his city's or community's membership in the COG is an elected official. These individuals are committed to the success of the ELF and have promoted it across the region.
- f. **Significant commitment of human resources.** The ELF has enjoyed strong leadership since its inception. The COG actively oversees the operation of the ELF, and each financing project is carefully reviewed by the ELF Loan Committee. In addition, the COG has committed to marketing the ELF in the region, assisting with ELF administration, and providing technical assistance to project owners and managers.
- g. **Job Quality/Contribution to Growth of High-Skill/High-Wage Jobs.**

Projects involving creation or retention of full-time, *permanent jobs with semi-skilled requirements are preferred*. These jobs usually will have a little higher entry wage or

training programs and some room for advancement, yet are available to the low and moderate-income person with limited skills. The ELF will strive to target manufacturing or industrial ventures but will not be confined to that category. In general, the jobs provided will be suitable to the average skill and wage levels of the region's labor force. Borrowers will be made aware of the requirements to hire low and moderate-income persons and these requirements will be made a part of the contract. Information regarding the RLF will be made available to prospective borrowers through the Workforce Investment Act (WIA) program. Persons who meet the WIA guidelines also meet the low and moderate income and long-term unemployed guidelines.

- h. **Return on Taxpayer Investment.** The ELF has been effective in maximizing the return on the taxpayers' dollars. Over the life of the ELF, approximately 160 jobs have been created in the region. Some of these jobs are high wage in nature and have helped to stimulate consumer demand for housing, capital goods, and services. The ELF will continue to seek investments in new and growing businesses that create high wage jobs and promote economic self-sufficiency.

According to the US Department of Commerce, local business formation and expansion creates 60% to 80% of all economic growth. Correspondingly, a restrictive lending climate affects local economic opportunity in significant ways. If techniques can be found which open up credit opportunities to encourage local business, economic growth can be accelerated, with attendant job creation.

The ELF is an effective tool for assisting local and regional economic growth and supporting the District's goal of building the economy by encouraging "growth from within." This financing will help firms to create and retain jobs for low and moderate-income residents of the District, and will assist local people in putting their energy, talent and knowledge to work by creating locally owned business enterprises. It will also enhance the ability of local governments and nonprofit economic development organizations to attract targeted businesses to locate new plants within the District through the provision of more flexible financing opportunities.

Through focusing on the ELF, the region's lenders and development entities are becoming more aware of the particular needs of entrepreneurs and the importance of promoting independent and locally-based venture formation from within the District. This focus will build in intensity and scope as the RLF Plan is implemented, with the expectation of creating a lending climate that is more responsive to entrepreneurial activity and more aware of the financing options offered not only by the ELF but by other for-profit and nonprofit community and economic investment resources available both statewide and nationally.

In combination with the facilities and entrepreneurial development programs of the San Juan College Enterprise Center and the region's SBDCs and EDOs, the ELF plays a critical role in building and remodeling the economic base of the District, to take advantage of the opportunities presented by the region's natural resources and labor availability and to respond to the new markets emerging in the 21<sup>st</sup> Century.

## **D. FINANCING POLICIES**

The ELF is used to leverage and supplement, and not duplicate, existing lending resources, and while drawing additional resources into the District. It is focused on two target groups:

- (a) Small businesses that:
  - need ELF assistance,
  - are capable of producing and maintaining full-time, permanent jobs
  - fill a needed niche in the local economy
  - are exporters of products or services and/or
  - bring new capital into the region.
- (b) Small businesses owned by or employing low and moderate income persons.

Sixty (60%) percent of the full-time equivalent (FTE) jobs created or retained by assisted businesses are targeted in the low and moderate income group, as defined by the U.S. Department of Housing and Urban Development's Community Development Block Grant criteria.

The labor pool from which employees are drawn includes long-term employed and under-employed persons, including Native American and Hispanic minorities, women, single parents and persons classified as economically disadvantaged and eligible for job training subsidies. Priority lending consideration will be given to businesses working with the New Mexico Workforce Connections (Workforce Investment Act) One Stop Center or Navajo Department of Workforce Development.

These financing policies are designed to achieve the goals of the ELF, which will require the undertaking of some risk that is normally avoided by conventional lending sources, and at the same time to protect and grow the ELF's assets. These policies will be subject to continuous review based on loan performance over time, and will be modified as needed to improve performance, in accordance with the provisions of Section II-F, below.

ELF focus, via the ELF, is on subordinated financing in participation with other lenders, in two categories:

- Asset collateralized financing to enhance the overall strength of the borrower's loan package, and
- Working capital loans to assist businesses which can demonstrate reasonable prospects of long-term success.

The ELF will also make direct or participating loans in smaller amounts, via the MLF and ALF loan products, to new and growing small businesses which can demonstrate good prospects and participate in relevant entrepreneurial training and/or business incubation processes.

The ELF will be administered in accordance with the *Title IX Economic Adjustment Program Revolving Loan Fund Administrative Manual*, and the following policies will be implemented:

1. **Eligible Lending Area.** Three counties of Northwest New Mexico: Cibola, McKinley, and San Juan, plus the four tribal entities of Navajo, Acoma, Laguna, and Zuni.
2. **Allowable Borrowers.** Any registered for-profit (Corporation, Sole Proprietor, Limited Liability Company, etc.); start-up businesses; business expansion in any sector.
3. **Allowable Lending Activities:** Loans can be used for working capital; purchase or lease of machinery, equipment and real estate, tenant improvements; and purchase of inventory. Prohibited uses are:
  - Acquire an equity position in private business
  - Subsidize interest payments on existing EDA-RLF loan
  - Provide required equity contribution for other Federal loan programs
  - Enable borrowers to acquire interest in a business unless sufficient justification is provided in the loan documentation
  - Provide for purpose of investing in interest bearing accounts
  - Refinance existing debt unless proven for sound economic justification.
4. **Loan Size.** The *maximum loan amount* and *minimum loan amount* for any one borrower will be the maximum and minimum dollar amounts shown under Section B for SBLF, MLF, and ALF loans.
5. **Interest Rates.** Loans and loan guarantees will be made to eligible borrowers at *interest rates* and under conditions determined to be most appropriate in achieving the goals of the ELF at the time each loan is made. Notwithstanding, the maximum interest rate will be eight (8.0) percentage points above the current money center prime rate quoted in the Wall Street Journal, or the maximum interest rate allowed under state law, whichever is lower. In no event may the interest rate be less than four (4.0) percent.
6. **Terms.** Target is a 5-year amortization with a 5-year maturity with maximum of 15-year amortization with a 5-year maturity. Payments will be paid on the 20<sup>th</sup> of each month but can be customized for seasonal businesses based off of the cash flow needs of the customers.
7. **Fees.** An origination fee of two (2%) percent of the principal amount of each EDA-RLF loan will be charged and payable at the loan closing. These fees will cover attorney fees, filing fees, and out of pocket expenses as well as environmental assessment charges, if necessary.
8. **Credit History & Financial Strength.** The *credit history and financial strength* of all principals of the applicant companies will be thoroughly documented in every case.
9. **Business Plan.** A *business plan* will be required, to include a cash flow analysis that demonstrates the borrower's ability to repay the ELF obligation.

10. **Start-up Business.** In considering applications for *startup businesses*, additional emphasis will be given to examining the quality of the business plan, the character and ability of the principals and the direct and immediate impact on the local economy.
11. **Existing Business.** In applications involving *existing business* retention or expansion, loan analysis will review of the history of the operation, the track record of management and the potential for growth.
12. **Owner's Equity & Collateral.** All borrowers will be required to demonstrate an *owner's equity* (cash or in-kind) equal to a percentage of the total project cost. The percentage for SBLF loans and ALF loans shall be 10% and the percentage for MLF loans shall be 25%. Each loan will be *collateralized* by fixed assets and/or inventory and/or accounts receivable. In-kind equity or collateral values will be verified by an independent appraisal. In addition, *personal guarantees* will be required from all principals and may be required of any party owning 10% or more of the company. No unsecured loans will be made.
13. **Moratoria.** As a last resort during a work-out scenario, COG has the power to offer a non-accrual status or forgiveness of principal. It is done on a case by case basis depending on the circumstances of the loan and the borrower and must be approved by both our Loan Committee.
14. **Loan Maturity.** The *loan maturity* for hard asset financing will not exceed fifteen (15) years, and will be collateralized by not less than a shared second mortgage position. Hard asset loans may be structured with a five-year "balloon," in order to allow for adjustment of interest rates and to encourage turnover of ELF assets. Working capital loans will not exceed three (3) years and will be collateralized by inventory and the assignment of accounts receivable, contracts, contracts of purchase, purchase orders, or similar commitments.
15. **Special Financing Techniques.** *Special financing techniques* may be employed from time to time to accommodate the credit needs and financial abilities of the applicant. The Loan Committee, at its discretion, may allow interest only payments or initial payment deferments (not to exceed 3 years). Special techniques will be determined by the Loan Committee case by case through a comparative risk assessment involving: a) likelihood of eventual loan repayment through using special techniques versus the likelihood of asset recapture through foreclosure, b) the borrower's understanding of the situation and the quality of its action plan, and c) the borrower's willingness and ability to recognize strengths and weaknesses and to seek and accept consultation and assistance where it is needed.
16. **Repayment.** To *accelerate the recycling of capital*, there will be no penalties for prepayment of ELF loans. The five-year "balloon" payments or requirements for periodic interest rate adjustment will give the ELF an opportunity to receive payment in full or at least to adjust interest rates to market. Filing blanket security agreements will place the ELF ahead of subsequent financing requiring a collateral position, which may lead to negotiations of payment or collateral position.



## E. PORTFOLIO STANDARDS AND TARGETS

1. Business Sector Mix. Percentage of ELF investments in:
  - a. Industrial/Commercial/Services Businesses. The ELF will seek a 30/40/30 balance among these sectors.
  - b. New Business/Expansion/Retention. The ELF will seek a 20/40/40 ratio among these three stages of business development.
2. Loan Mix. The *balance between hard asset loans and working capital loans* is targeted to be **50%** and **50%** respectively. In the case of working capital loans, considerable monitoring of the borrower will be required.
3. Private Dollar Leverage. ELF loans will strive to *leverage* a minimum of two (2) private sector dollars for each ELF dollar invested. Private funds consist mainly of loans from other lenders and equity from the borrower.
4. Job Cost Ratio. The ELF portfolio will be managed to achieve a *job cost ratio* of no greater than **\$25,000** in ELF funds for each full time equivalent (FTE) job created or retained. This ratio is to be used as a guideline for each specific ELF deal, with the performance evaluation to be done on an aggregate basis for the entire portfolio.

## F. **ELF LOAN SELECTION CRITERIA**

1. **Basis for Selection.** In addition to the financing policies, standards and targets described above, loans will be selected for participation by the ELF on the basis of the following:
  - a. job creation or retention, economic impact on the community,
  - b. private dollar investment,
  - c. growth potential of the borrower,
  - d. the project's linkage to the existing economy of the community,
  - e. the potential for generating tax revenue,
  - f. minority enterprise development, and
  - g. proof that financing is not otherwise available.

Other selection priorities formulated by the CEDS:

- Businesses engaged in direct based economic activity, industries that produce exports or services income directly from outside sources,
- Businesses that help diversify and compete minimally in the local economy,
- Businesses that are under 10 employees,
- Products and/or services feasible in a rural region and compatible with existing community assets and businesses, e.g. producing outdoor recreational equipment,
- Business that will be creating start-up or expansion jobs in our most distressed areas of our counties and in Opportunity Zones, and
- And businesses that will be paying above county average wages.

2. **Eligibility.** Business activities eligible for ELF financing are listed below, in order of priority.
  - a. **Expansion of Existing Business:** projects receiving the highest priority are expansions of existing businesses, which are value-added product/service exporters and importers of revenue. Within this category businesses, which have the potential to hire low and moderate-income persons will be given a higher priority. Such loans will typically be for the purposes of increasing permanent working capital, acquisition of equipment or other fixed assets, expansion of inventories, new product introduction or new market penetration.
  - b. **Retention of Existing Business Employment:** retention situations may include plant and equipment modernization or working capital loans. Businesses requesting ELF participation in this category must be able to demonstrate a history of effective management, viable markets for products and services, and must be considered by the Loan Committee to be important to the local economic mix.
  - c. **New Business Formation.** start up businesses involve a higher degree of risk, and will be evaluated accordingly, with special attention to the preparedness and character of

the principals and the degree of equity participation and risk sharing on their part, the quality of the business plan, the estimate of ability to repay, the willingness to undertake training, and the Loan Committee's determination that the proposed new business will benefit the local economic mix.

- d. **Local Ownership.** Loans will generally be made to *locally-owned enterprises* which fall under the SBA definition of "small business;" however, the ELF may consider loans to public organizations, and to non-locally owned businesses if the employment impact is significant.

## **G. PERFORMANCE ASSESSMENT PROCESS**

Performance of the ELF will be assessed through a semi-annual review of loan reports prepared and presented to the NWNMCOG Board of Directors by the ELF Director. These reports will cover a) the technical loan review criteria of loan balance, status of payments and compliance with the loan agreement, b) number and quality of jobs created, minority and low-income participation, and other measures of achieving socio-economic goals, and c) an assessment of the overall strength and prospects of each business and how the business is linked to improving the basic economic strengths of the District.

The performance of the ELF in terms of achieving its targets and, the goals of the Comprehensive Economic Development Strategy, will be evaluated and reviewed through this reporting and feedback process. Modifications in the ELF Plan may be suggested either by the Loan Committee or by the Board of Directors itself with referral to the Loan Committee for review and advice, and eventually adopted by majority vote of the Board. (See Section II–F, below.)

## RLF OPERATIONAL PROCEDURES

The operation of the Enterprise Loan Fund of Northwest New Mexico will draw upon the collaborative strengths of local governments, economic development organizations and educational institutions within the District, and will be based upon an organizational structure that clearly defines authority and responsibility for administration of the Program.

### A. ORGANIZATIONAL STRUCTURE

1. Genesis of the ELF: The ELF was initially created by a joint powers agreement among the City of Farmington, the Counties of San Juan, McKinley and Cibola, and the Northwest New Mexico Council of Governments. This is a regional fund, serving all three counties in order to achieve economies of scale and to qualify for the maximum funding available. The Council of Governments is under contract to the EDA to assure compliance with federal requirements. The joint powers agreement empowers the Council of Governments Board of Directors as the body responsible for oversight and policy making, and vest in it the power to contract for marketing and administration of the ELF.
2. Marketing: Marketing of the ELF will be done mainly through collaboration with locally owned commercial financial institutions. Additional marketing will be done in collaboration with the Small Business Development Centers in Farmington, Gallup and Grants.
3. Fund Administration: The administrative organization of the Revolving Loan Fund is briefly envisioned as follows, and expanded on below:
  - a. Authority for Fund. The COG Board of Directors establishes regional ELF policy and reviews operations and performance; solicits nominations for, and appoints, the Loan Committee; and as needed, outsources for ELF marketing and administration.
  - b. Loan Committee Oversight. The Loan Committee is a committee appointed by the COG Board of Directors, consisting of one banker/commercial lender and one businessperson per county, plus one private sector businessperson at-large. This Committee provides technical assistance to the ELF staff in loan evaluation, documentation, and lending procedures and practices.
  - c. Fund Manager. The Enterprise Loan Fund Director manages and supervises the ELF and its staff or contractor and reports to the COG Board of Directors. The ELF Director is responsible for ensuring implementation of the ELF program in accordance with this Plan and pertinent federal and state requirements and guidelines.
  - d. Market Linkages. The Directors of the Small Business Development Centers (SBDCs) in Farmington, Gallup and Grants constitute a secondary mechanism for loan marketing and consultation with prospective borrowers regarding preparation of business plans and loan application packages, and for delivering entrepreneurial training to clients. Local bankers also provide the ELF with potential clients from the

- banks' pool of applicants who fall short of bank requirements and thus need gap financing to complete the loan package.
- e. Loan Committee Responsibilities: The ELF Loan Committee provides policy oversight and financial review services for new loan applications and modification agreements. The ELF Program Director ensures that the Loan Committee receives complete application information to make effective recommendations about the viability of each business start-up or expansion financing request. The Loan Committee will meet as needed and will be responsible for implementing the policies contained in this ELF Plan and any procedures as may be adopted and promulgated by the Board of Directors of the Northwest New Mexico Council of Governments, as well as for recommending policy changes, ~~for~~ approving loans, modifying loans, and concurring with all loan foreclosure and workout actions.
  - f. Technical Assistance. Under Memorandum of Understanding between the ELF and the New Mexico Small Business Development Center, the Small Business Development Centers in Grants, Gallup and Farmington, respectively, will provide technical assistance services to ELF clients, providing portfolio evaluation, client consultation and written feedback to the ELF as a means of increasing clients' opportunity for success in the loan program. Agreements with a commercial banker in each county also provide a means of obtaining feedback and recommendations on improving the financial conditions of each client.
  - g. Fund Policy Governance: ELF policy will be governed by the Board of Directors of the Northwest New Mexico COG, which is composed of members from units of local government in Cibola, McKinley and San Juan Counties. Lending decisions will be made by the Loan Committee. Loan Committee membership will generally include balanced participation from the financial and entrepreneurial sectors of the regional community.
  - h. Use of Fund Revenues: Loan fees, borrower charges, interest and other program income will be used to offset administrative costs when available and as allowed under the guidelines of the Economic Development Administration. All program income not used or allowed to be used for administrative expenses will be credited to the capital base of the ELF and used to fund additional loans.
4. Conflict of Interest. Loan Committee members are required to verbally disclose any conflict of interest with a borrower, guarantor or other related party to the transaction. A conflict of interest includes advising, approving, recommending or otherwise participating in the business decisions of the loan recipient, such as agents, advisors, consultants, attorneys, accountants or shareholders. A Committee member, having any vested financial interest, will need to recuse him or herself from discussion, will not be allowed to place a motion or a second, and must abstain from voting. The Executive Committee will consider all conflicts of interest in the appointment of new members. No client with an active open loan may serve on the Loan Committee. Additionally, with the renewal of each committee member's terms, all known conflicts of interest are requested to be disclosed.



5. Federal Compliance Requirements. There are numerous federal compliance requirements with the use of the funds from the Economic Development Administration. These include but are not limited to the following:
- National Environmental Policy Act
  - Civil Rights Act and Equal Opportunity Law
  - National Historic Preservation Act
  - Floodplain Management and Protection of Wetlands
  - Clean Air Act, Endangered Species Act, Coastal Zone Management Act, Coastal Barriers Resources Act, Wild and Scenic Rivers Act, Safe Drinking Water Act, Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation, and Liability Act
  - Federal labor standards and other labor requirements.

## **B. LOAN PROCESSING PROCEDURES**

The ELF Director will ensure administration of the loan selection and approval process as described below.

1. Intake. Initial intake will be primarily through commercial financial institutions in Farmington, Grants and Gallup. Direct contact with ELF staff will not be discouraged, but will normally result in the scheduling of an initial intake interview with one of the commercial financial institutions. If the project appears eligible and feasible, the applicant will receive application materials and guidance from ELF staff in packaging the application.
2. Loan Analysis. When a loan application is submitted, ELF staff will:
  - undertake a review and evaluation of the loan proposal;
  - assure completeness and confirm the information provided;
  - confer with the applicant's primary lending institution;
  - analyze the loan package in accordance with pre-defined lending criteria; and
  - prepare the package for presentation to the Loan Committee.
3. Loan Application. All applicants will be required to furnish standard pre-qualification and application forms as well as appropriate items from the following list, without limitation:
  - Financial statement, balance sheets and income statements for the past three years (existing businesses);
  - Personal and business federal income tax returns for the past three years (start-up businesses);
  - Personal financial statements for anyone owning 10% or more of the business;
  - Job Development Statement;
  - Business Plan;

- Brief description and history of the business;
- Brief description of the experience of principal owners/managers;
- Articles of incorporation & by-laws, partnership agreements, as relevant;
- Description of collateral, to include fixed assets and/or inventory and/or accounts receivable of adequate value to secure the requested loan;
- Additional security, including personal guarantees, hazard insurance naming the ELF as a loss payee, flood insurance (at the minimum value required by established industry standards) if the assets are located in a flood plain, and/or "key man" insurance if required;
- Earnings projections (profit & loss or cash flow projections) and projected balance sheets for three years;
- Credit report (to be obtained by ELF staff from an accredited credit bureau);
- Appraisal reports (subject to acceptability by ELF staff) showing the value of collateral and any in-kind equity to be contributed;
- Certificate of Good Standing;
- Environmental review to identify any potential impacts on historic assets and the environment, together with proposed mitigation steps;
- Each loan will require a minimum borrower equity of 10% of the total project cost (cash or in-kind, see Section II-D, above);
- Proof that financing is not otherwise available;
- Commitment letter from the participating lender stating loan terms and amount;
- Employer's Nonrelocation Certification;
- Current and Projected Employee Data (ED-612), and Assurances of Compliance;
- Copy of current driver's license and proof of social security number;
- Signed bank turn down letter.

4. **Credit and Financial Analysis.** Once a signed loan application has been received, the ELF Director will start a file and run a credit report for the applicant. The historical financial results of the business (if applicable), along with a current year to date profit/loss statement and balance sheet will be reviewed for adequacy of debt coverage in the cash flow, solvency to help pay operational costs, and opportunities for potential collateral.

Many start up and emerging businesses lack historical operating results that show adequate cash flow for debt coverage. However, by understating the applicant's business model, their cash conversion cycle, and the market opportunities that exist in their industry, an applicant's future ability to repay the loan may require a higher consideration. For each business, historical and projected debt service ratios will be weighed appropriately for each business and its place in the business life cycle. Typically, a debt coverage ratio of greater than 1:1 is expected within a 12-month time frame.

All owners who hold more than a 20% interest in a company making application to the ELF will be required to provide a full, unconditional guaranty of the proposed debt. In certain circumstances, a limited guarantee may be negotiated but not to a level below the owner's pro rata share. At times, and in an effort to overcome fatal flaws in the credit, personal guarantees from individuals not owning shares in the applicant may be considering. Generally, the addition of Guarantors will strengthen the transaction, due to their net worth or personal cash flow, and may be required at the Loan Committee's discretion.

Collateral for all loans will be required. Lien will be filed on the business assets of the applicant. Additional sources of collateral will be considered to help minimize potential losses in the event of default. All collateral will be valued by an independent source (NADA, Kelly Blue Book, County Tax value, appraisals, etc.). The Business Loan Officer will discuss the deal with the participating bank if applicable to determine what the minimum amount of equity into the deal; what collateral might be available and to confirm the credit is not otherwise available.

5. Environmental Reviews. Each loan will undergo an environmental review to determine if the project will have an adverse environmental impact. This will include whether or not the project involves new above ground development that will be in within the 100-year flood plain indicated by the FEMA Flood Insurance Rate Map. Each project will also be reviewed to determine if it is located in or adjacent to a wetland area. Each project will also be reviewed to determine if the State Historic Preservation Office (SHPO) needs to be notified if it involves significant new construction. If the SHPO is notified, the ELF and the loan applicant will work with the SHPO and EDA to address any issues before the loan is closed. Each loan applicant are required to provide information as to whether or not there are any hazardous material located at the site. If so, no activity will be financed which involved unresolved site contamination issues.
6. Recommendation Package. The loan recommendation will be prepared by the ELF Director or by an employee or qualified contractor under his supervision, to include reference to the items enumerated above, together with a staff summary prepared from information submitted by the applicant and discovered through evaluation of credit, appraisals, interviews, etc., of the company's history, management, product, production capability, market conditions, financing, collateral, repayment ability, consistency with the ELF's financing policy, and whether there are any environmental problems associated with the project.
7. Loan Approval. Decisions regarding the approval or disapproval of loan requests and the terms and conditions of any loan will be made exclusively by the Loan Committee at a regular meeting of that body, and the decisions of the Loan Committee will be documented in the minutes of its proceedings. The ELF Director or his designee will notify borrowers in writing of the decisions of the Loan Committee.

## **C. LOAN CLOSING AND DISBURSEMENT PROCEDURES**

For each loan, the appropriate documentation will be determined and required at the closing. Documentation may include the following, without limitation.

1. Loan File Documentation: Each loan file should contain the following documentation (and as amended periodically) unless the EDA-RLF Administrator, Deputy Director, or Business Loan Officer determines otherwise per the loan closing checklist.
  - Loan Application
  - Loan Agreement
  - Minutes from Loan Committee where the loan was approved
  - Promissory Note
  - Security Agreements and UCC filing
  - Deeds of Trust as applicable
  - Signed Bank turn down letter
  - Business Plan
  - Correspondence
  - Three Years (as appropriate) Business Tax Returns
  - Business Financials and Projections
  - Three Years Personal Tax Returns
  - Personal Financial Statement
  - Personal Credit Report
  - Write-up to Loan Committee
  - Terms and Conditions Letter
  - Corporate Resolution or Authorization to Sign
  - Certificate of Good Standing
  - Articles of Incorporation/Operating Agreement
  - Bylaws
  - Other Legal Documents (i.e. lease agreements)
  - Closing Statement
  - Dispersals
  - Cost Documentation and Cost Eligibility
  - Loan Closing Checklist
  - Loan Modifications
  - Titles
  - Appraisals/Valuations
  - Guarantee Agreements
2. Commitment letter from the participating lender stating loan terms and the loan amount extended by the lender.

3. Documentation of Collateral: Machinery & Equipment, Accounts Receivable and/or Inventory
  - ☐ UCC-4 (Chattel search or request for information)
  - ☐ Loan Agreement
  - ☐ Promissory Note
  - ☐ Security Agreement
  - ☐ UCC-1 Financing Statement
4. Documentation of Collateral: Real Estate
  - ☐ Mortgagee's Title Insurance Policy showing acceptable title
  - ☐ Loan Agreement
  - ☐ Warranty Deed
  - ☐ Real Estate Mortgage
  - ☐ Attorney's opinion on all documents to be filed on behalf of the ELF
5. Borrowers will be required to present invoices when purchasing equipment and inventory. Construction loans also require presentation of invoices. In addition to invoices, periodic on-site visits will be made by loan fund staff to the construction site to satisfy that disbursement requirements are being handled properly to protect ELF assets. No pre-disbursement requirements for working capital loans are required, but periodic balance sheets, profit & loss statements, and financial statements are required from the borrower in order to monitor the company's use of the loan proceeds.
6. Loan Agreement Provisions. In addition to the standard promissory note, and security agreement, the borrowers will be required to sign a loan agreement which includes the following:
  - Number and types of jobs to be created
  - Project description and scope of work with EDA-RLF and other funds
  - Disclosure requirements and list of invoices and receipts collected from borrower to ensure compliance with federal requirements
  - Description of collateral
  - Actions and time frame in case of default
  - Due and payable clauses for business sale and a time frame for loan disbursal
  - Names and addresses of all involved parties including firm owners and other financial institutions
  - Language to hold the Federal government harmless from and against all liabilities that the Federal government may incur as a result of providing an EDA-RLF loan to assist directly or indirectly in site preparation or construction, as well as the direct or indirect renovation or repair of any facility or site.

Additional measures include the requirement for borrowers to provide copies of receipts or direct disbursements at loan closing to vendors or other creditors. Borrower will receive an annual correspondence to provide job outcomes figures for our semi-annual reports. Periodically, borrowers are required to provide financial statements for our review. Physical site visits are conducted annually for each client to confirm business is still in operation, still employees working there, and collateral is still in place and operational, and this is where ELF staff will obtain a job creation/retention count for the annual RLF Report. Lastly, due to the rural nature of our region, we stay connected with our clients through local networking events, classes, outreach efforts, and other social outlets.

7. **Loan Disbursements.** Funds are disbursed via check at closing or within the draw period as specified in the Loan Agreement and Promissory Note. Draw periods generally do not exceed a 90-day time frame. Prior to closing the loan, a checklist is completed to ensure that all proper loan documentation and other information such as insurance companies, etc. are present and signed by all appropriate parties.

#### **D. LOAN SERVICING PROCEDURES**

1. **Payments.** Borrowers may be scheduled for monthly, quarterly or semi-annual loan payments, at the discretion of the Loan Committee and to best meet the needs of the borrower. Payments will be made to a local banking institution on behalf of the ELF and deposited into the proper interest-bearing, federally-insured checking account.
2. **Monitoring.** The ELF Director will monitor loans and report regularly to the Loan Committee concerning all accounts, to include:
  - the conditions of the loan,
  - financial statements, insurance renewals,
  - UCC re-filings,
  - borrower site visits, and
  - compliance with federal and state requirements associated with the ELF.

The reports to the Loan Committee will contain:

- the loan balance,
- the status of loan payments,
- the number of jobs created, and
- an overall review of how the businesses are faring and to assure that the ELF is accomplishing its objectives, and will identify any problem areas that require the attention of the Loan Committee.

The Council of Governments Board, based on periodic reports presented to the Board by the ELF Director, will also review overall performance of the ELF program.



3. **Late Payments.** To solicit late payments, the ELF Director shall ensure that:
- borrowers will be sent a past due notice after seven (7) days,
  - a second notice is sent after fifteen (15) days
  - late fees may be assessed.
  - telephone contact will be made after twenty-one (21) days to determine whether the company needs assistance in strengthening and restoring its loan position
  - any ELF loan that is sixty (60) days past due may be restructured to meet the needs of the borrower, subject to the approval of the Loan Committee, if such restructuring makes repayment of the loan more likely, and
  - moratoria on principal payments, re-amortization, subordination, and limited set aside techniques may be utilized when required to meet the above criteria, together with specific training and consultation in problem areas, where indicated.
4. **Defaulted Loans.** ELF staff shall produce a written monthly report that lists all delinquent loans and any default loans. The latest version of this report and verbal summary of related collection activity will be provided to the Loan Committee at each monthly meeting. Information is also provided at the quarterly Board of Directors meetings. The tracking of the status of loans, delinquency and declaration of default will be the responsibility of the ELF Director. This policy is a guideline and action of staff that varies from policy will be documented.

A loan payment will be considered delinquent if not received in COG's office within ten (10) days of the due date of the payment. Within 20 days following the date the payment is considered delinquent, a letter will be sent, or a documented phone call made to the client stating that the payment is delinquent. A late fee of twenty (\$25.00) dollars minimum will be assessed on all delinquent loan payments, if enforceable and indicated in the loan documents. The late fee may be waived by the ELF Director documented by a note to the Loan Servicing file stating the justification for the waiver.

Within thirty (30) days of the date a payment is considered delinquent, and if there has been no contact from the borrower, the ELF Director shall contact the borrower by phone or personal visit to determine the reasons and circumstances of the delinquent payment.

If a loan becomes delinquent, the ELF Director is authorized to offer a Loan Modification/Extension agreement for up to six months. The policy shall be to collect accrued interest at a minimum before extending any loan payments.

If the loan becomes sixty (60) days delinquent and no justification or corrective action has been provided by the borrower to the satisfaction of the EDA-RLF Administrator, a Demand Letter and Notice of Right to Cure will be sent to the borrower. The Demand Letter and Right to Cure notice will give the borrower twenty (20) days to cure or initiate an acceptable program to cure the default to the satisfaction of the ELF Director.

There should be collateral and personal guarantees on all COG loans that shall be enforced in the case of a default on the part of a borrower. Default criteria will be contained in the

loan agreement and will include other loan covenants including but not restricted to delinquent financial statement requirements, employee reports as well as non-payment.

If at the end of the Right to Cure period (approximately 90 days delinquency), there has not been any satisfactory (as determined by the ELF Director) resolution or plan of action to cure the delinquency, the loan will be declared in default and will be reported as such. If not commenced sooner at the discretion of the ELF Director, collection activities will begin to gain control, protect the value and maximize the liquidation value of collateral in order to liquidate the debt and all related accruals and costs. If, in the opinion of the ELF Director, liquidation of collateral will not be sufficient to liquidate the debt, other legal remedies may be pursued, including, but not limited to, judgment against borrower(s) and/or guarantors in order to attach other assets. However, the pursuit and liquidation of collateral or other assets potentially available through personal guarantees must be weighed against the expected expense of collection.

**5. Restructuring.**

- a. Restructuring will be done on a case by case basis and will depend upon the Loan Committee's assessment of whether the business has adequate management, what factors are causing delinquency or other violation of loan terms, management's willingness and ability to undertake corrective measures and the likelihood that such measures will result in the repayment of the loan, the protection of ELF assets and the accomplishment of program strategies. At the direction of the Loan Committee, foreclosure proceedings will be initiated on loans over 90 days in arrears, where technical assistance and restructuring are not feasible.
- b. A loan loss reserve will be established to provide for loan loss write-offs, in accordance with the provisions of 13 CFR §307.15(a)(2):

**§ 307.15 Prudent management of Revolving Loan Funds.**

**(a) *Accounting principles.***

- (1) RLFs shall operate in accordance with generally accepted accounting principles ("GAAP") as in effect from time to time in the United States and the provisions outlined in OMB Circular A-133 and the Compliance Supplement, as applicable.
- (2) In accordance with GAAP, a loan loss reserve may be recorded in the RLF Recipient's financial statements to show the fair market value of an RLF's loan portfolio, provided this loan loss reserve is non-funded and represents non-cash entries.

6. **Write-Offs.** Once all collection remedies have been pursued or put in place and in the opinion of the ELF Director there is little likelihood of receiving payment of the remaining loan balance, the ELF Director will recommend to the Loan Committee that the loan be written-off to bad debt expense. If the Loan Committee concurs, then this recommendation will be made to the COG Executive Committee. If the Executive Committee approves the

write-off of the loan, it will be reported to COG's auditor and the remaining loan balance of the written-off loan will be subtracted from the notes receivable for that audit period. If principal is collected after write-off it will be returned to the ELF capital base.

## **E. ADMINISTRATIVE PROCEDURES**

### **1. Loan File.** Each loan file will contain:

- the application and such accompanying documents as may be required per section II.B. above;
- loan commitment letter;
- ELF loan agreement;
- copy of private lender loan agreement;
- promissory notes;
- amortization schedule;
- truth-in-lending disclosure statements;
- financial statements;
- insurance certifications;
- site visit reports;
- real estate mortgages;
- UCC filings, job reports; and
- EDA documentation and all correspondence pertaining to the borrower.

These files will be kept in a fireproof file cabinet. Loan payments and other income sources will be tracked and accounted for on a monthly basis.

### **2. Accounting.** The ELF is a separate fund in COG's accounting system and has its own bank account that are interest bearing accounts. The ELF operates in accordance with Generally Accepted Accounting Principles (GAAP). The ELF maintains a fidelity bond.

### **3. Loan Fee.**

- a. A fee will be charged to accept a loan application for review by the Loan Committee. The fee shall be established by the Loan Committee and is subject to periodic review and revision by the COG Board. The current fee schedule is as follows: SBLF loans - \$250, MLF loans - \$100, ALF loans - \$25. This non-refundable charge is a flat fee for expenses related to loan screening and is subject to change.
- b. The ELF may charge up to two percent (2%) and not less than one percent (1%) of the loan amount in origination fees; the application of such fees will be made with approval of the Loan Committee on a case by case basis, giving consideration to the ability of the business to pay. Loan related expenses will be passed through to borrowers. No participating lenders shall make charges related to the ELF loan, including points.

4. **Monitoring and Tracking.** ELF principal repayments, interest payments and other income sources, and eligible ELF administrative expenses, will be tracked and accounted for on a monthly basis under the direction of the ELF Director. All loan accounts will be monitored and balanced monthly. The computerized loan program will be used to track loan transactions and to enhance reporting capabilities. The ELF Director prepares, reviews, signs, and submits the EDA required semi-annual report.
5. **Audit.** An annual audit will be performed at the end of each fiscal year to ensure ELF compliance with all grant requirements and for monitoring the ELF portfolio.

## F. **MODIFICATION**

The Loan Committee may from time to time recommend, and the NWNMCOG Board of Directors may approve, changes in strategy, policy, standards and procedures, so long as such changes are consistent with the statutes and regulations governing the use of EDA funds for the ELF, subject to review and approval by the EDA.

## G. **OTHER REQUIREMENTS**

1. **Equal Opportunity.** The ELF will work through the Small Business Development Centers and the Navajo Nation Regional Business Development Offices, and through Chambers of Commerce, local economic development agencies, local governments, community and civic groups, to promote its services to minority communities, and will clearly state in any advertising and promotional material that loans will be available on a non-discriminatory basis, and that no loan will be denied on the basis of race, color, national origin, religion, age, disability, political affiliation, or sex. All applicants subject to affirmative action will be required to provide the relevant assurances and hiring plans in writing.
2. **Environmental Protection.** Each applicant will be required to comply with all federal and state statutes and regulations concerning environmental impact, and to provide any relevant mitigation plans. No loan will be approved until appropriate environmental, historical and archaeological clearances are obtained.
3. **Non-Relocation.** No loan involving a move from one labor market to another within the time period specified by EDA regulations will be approved. A certificate of non-relocation will be required from all applicants.
4. **Flood Insurance.** A site survey will be required of each loan to identify flood plain/hazard areas. Any project located in such an area will be required to have appropriate flood insurance.
5. **Construction Compliance.** Construction or renovation performed with funds from the ELF will comply with all federal, state and local standards and provisions for access to the

handicapped. Compliance with the Davis-Bacon Act will be assured on covered construction projects utilizing ELF funds by requiring borrowers to certify to appropriate provisions of the act.

6. **Nepotism.** No ELF loans will be made to any business entity if the owner of such entity or any owner of an interest in such entity is related by blood, marriage, law or business arrangement to any officer or employee of the NWNMCOG, the Loan Committee, any subcommittee, or member of the Boards of Directors of said entities or any other Board which advises, approves, recommends or otherwise participates in decisions concerning loans or the use of grant funds.

# Announcements; Other Business



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BOARD MEETING PACKET  
NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS





## Northwest New Mexico Council of Governments

### Board Meeting Calendar | Fiscal Year 2020-21

#### QUARTERLY BOARD MEETINGS

DATE	TIME	LOCATION
July 15, 2020	Board Meeting: 10AM – 12PM Luncheon: 12 – 2PM	Cibola Area (TBD)
October 21, 2020	10AM – 1PM	McKinley Area (TBD)
January 20, 2021 (Second Day of Session)	10AM – 1PM	Santa Fe (TBD)
April 21, 2021	10AM – 1PM	San Juan Area (TBD)
July 21, 2021	10AM – 1PM	San Juan Area (TBD)

#### NOTES:

- (1) The Board of Directors of the Northwest New Mexico Council of Governments generally meets on the third Wednesday one month after the quarter ends (July, October, January, and April) at 10AM.
- (2) Executive Committee meets an hour prior to the Board Meeting.
- (3) Meeting Business is typically scheduled for two hours with lunch after.

**ANNUAL LUNCHEONS:**  
 2020 (48<sup>th</sup>): Cibola Area;  
 2021 (49<sup>th</sup>): San Juan Area;  
 2022 (50<sup>th</sup>): McKinley Area

#### OTHER ANNUAL EVENTS, TRAININGS, & CONFERENCES



DATE	EVENT	LOCATION
July 28-30, 2020	<a href="#">National Regional Transportation Conference</a>	Kansas City, MO
October 17-20, 2020	<a href="#">Annual NADO Training Conference</a>	Cleveland, OH
December 2020	Southwest Region Economic Development Association (SWREDA) Conference	Houston, TX

#### NOTES:

- (1) The COG does encourage and welcome Board members to travel and participate to these conferences to understand what regional development organizations (RDO's) are doing throughout the country.
- (2) Typically, travel is worked out through and reimbursed via your local governments and COG handles registration.

**NM Legislative Session 2021: January 19 – March 20**

## 2020

January 20	February 20	March 20
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April 20	May 20	June 20
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July 20	August 20	September 20
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October 20	November 20	December 20
Su M Tu W Th F Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su M Tu W Th F Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su M Tu W Th F Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

Holiday	Board & Executive Committee	NM EDGE
NMAC & WIR	NMAC Conferences	Advisory Council
ML & WIC Pools	Legislative Meetings	Special Events

## NMC Meetings &amp; Conferences

1/20-1/23 - NMC Legislative Conference (Santa Fe County)
1/20-1/22 - NM EDGE Classes (Santa Fe County)
1/21 - Legislative Session Begins 12PM
1/21 - NMCA Membership Meeting 9AM (Santa Fe County)
1/21 - NMCA Board Meeting 10:15AM (Santa Fe County)
1/21 - Board of Directors Meeting 2PM (Santa Fe County)
1/30 - Executive Committee Teleconference 11AM
2/5 - Bill Introduction Deadline
2/6 - Board of Directors Meeting 8:30AM (Santa Fe County)
2/13 - Executive Committee Teleconference 11AM
2/20 - Legislative Session Ends 12PM
2/29-3/4 - NACo Legislative Conference (Washington, DC)
3/18 - Legislative Meeting 10AM (Bernalillo County); 3/19 - Legislative Meeting 10AM (Doña Ana County) <b>CANCELLED</b>
3/25 - Legislative Meeting 10AM (San Miguel County); 3/26 - Legislative Meeting 10AM (Chavez County) <b>CANCELLED</b>
3/23-3/27 - NM EDGE Classes (Bernalillo County-Albuquerque) <b>CANCELLED</b>
4/3 - Executive Committee Budget Teleconference 10AM
4/16 - Advisory Council Meeting 11AM (Doña Ana County)
4/15 - NMCA Board Meeting 8:30AM (Santa Fe County - NMC Office)
5/1 - Board of Directors Meeting 8:30AM (McKinley County)
5/6 - NMCA Board Meeting 8:30AM (Santa Fe County - NMC Office)
5/13-5/15 - WIR Annual Conference (Mariposa County, CA)
6/23-6/26 - NMC 84th Annual Conference (Doña Ana County)
6/22-6/24 - NM EDGE Classes (Doña Ana County)
6/25 - Board of Directors Meeting 4:30PM (Doña Ana County)
7/17-7/20 - NACo Annual Conference (Orange County, Orlando, FL)
8/7 - Board of Directors Meeting 8:30AM (Otero County)
8/19 - NMCA Board Meeting 8:30AM (Santa Fe County - NMC Office)
9/2-9/4 - NMML 63rd Annual Conference (Santa Fe County, Santa Fe)
9/9 - Legislative Initiatives Review w/Legislative Committee 11AM (Santa Fe County - NMC Office)
9/10 - Gathering of Counties (NM State Fair, Bernalillo County, Albuquerque)
9/21-9/25 - NM EDGE Classes (Bernalillo County, Albuquerque)
10/1-10/2 - Board of Directors Legislative Meeting 2PM & Board of Directors Meeting 8:30AM (Rio Arriba County)
10/28-10/29 - NMCA Retreat & Board Meeting (TED)
October TBD - Infrastructure Finance Conference (TED)
October or November TBD - WUF Summit (TBD)
11/5 - Executive Committee Meeting 2PM (Santa Fe County - NMC Office)
11/6 - NM/NMML Joint Legislative Meeting 9AM (Santa Fe County)
12/1-12/3 - NMC Better Informed Public Officials (BIPO) Conference (TBD)
12/3 - Advisory Council Meeting 1PM (TBD)
12/9 - NMCA Board Meeting 8:30AM (Santa Fe County - NMC Office)

Approved by NMC Board of Directors on 10/4/2019  
Last Updated On: 3/26/2020

New Mexico Municipal League: [Calendar of Events 2020](#)

July 1	Report of Declared NMML Board Candidates sent to all members	October 3	NMML Board of Directors Meeting - Eldorado Hotel - Santa Fe
July 1	In absence of any NMML Nomination/Declaration of candidacy, the League President appoints a Nominating Committee	October 17 - 20	IACP Annual Conference - New Orleans, Louisiana
July 8 - 10	Municipal Court Clerks Conference - Embassy Suites - Albuquerque	October 18 - 23	Clerks Certification Institute - Ramada by Wyndham - Albuquerque
July 9 - 10	NLC MIC Board and Committee Meetings - Essex, Vermont	October 21 - 23	Master Municipal Clerks Academy - Ramada by Wyndham - Albuquerque
July 17	If necessary, the Nominating Committee meets to recommend Candidate(s) for any NMML Board undeclared office or at-large directorship	October 21 - 23	NM Library Assn. Annual Conference - Marriott Pyramid North - Albuquerque
July 18	Resolutions Committee Meeting - Sheraton Uptown - Albuquerque	October 25 - 28	NLC-RISC Pool Administrators/Staff Workshop - Louisville, Kentucky
July 21	If necessary, Nominating Committee Report mailed to member municipalities	October 26	NLC-MIC Board of Directors Meeting - Louisville, Kentucky
July 22 - 24	NLC State Staff Development Workshop - New Orleans, Louisiana	October 28 - 30	NM Infrastructure Conference - Location TBD
August 4 - 7	State League Executive Directors Workshop - Eldorado Hotel - Santa Fe	November 5 - 6	NMML/NMC Joint Executive Committee Meeting - Santa Fe
August 7	NM Airport Managers Assn. Meeting - Albuquerque Sunport	November 11 - 13	MOLI Leadership Program - La Posada Hotel - Santa Fe
September 2 - 4	NMML Annual Conference - Santa Fe Convention Center	November 13	NM Airport Managers Assn. Meeting - Albuquerque Sunport
September 3	Election of officers and at-large directors at NMML Annual Conference. Nominations from the floor may be made then.	November 18 - 20	DFA/Local Government Division Budget Conference - Marriott Uptown (Louisiana) - Albuquerque
September 10 - 11	New Municipal Judges Orientation Phase IV - Location TBD - Albuquerque	November 18 - 21	NLC City Summit - Tampa, Florida
September 16 - 18	NMMLZO Annual Meeting - Sagebrush Hotel - Taos	December 2 - 4	NM City Management Assn. Conference - Marriott Uptown (Louisiana) - Albuquerque
September 16 - 18	MOLI Governance Program - La Posada Hotel - Santa Fe	December 2 - 4	NMGFOA Winter Conference - Marriott Uptown (Louisiana) - Albuquerque
September 23 - 26	ICMA Annual Conference - Toronto, Canada	December 2 - 4	Municipal Attorneys Assn. Conference - Marriott Uptown (Louisiana) - Albuquerque
September 23 - 27	IMLA Annual Conference - La Quinta, California	December 8 - 10	NLC-MIC Board of Directors Meeting - Scottsdale, Arizona
September 24 - 27	NM Fire Service Conference - Ruidoso Convention Center	December 9 - 11	NM Law Enforcement Conference - Crowne Plaza Hotel - Albuquerque